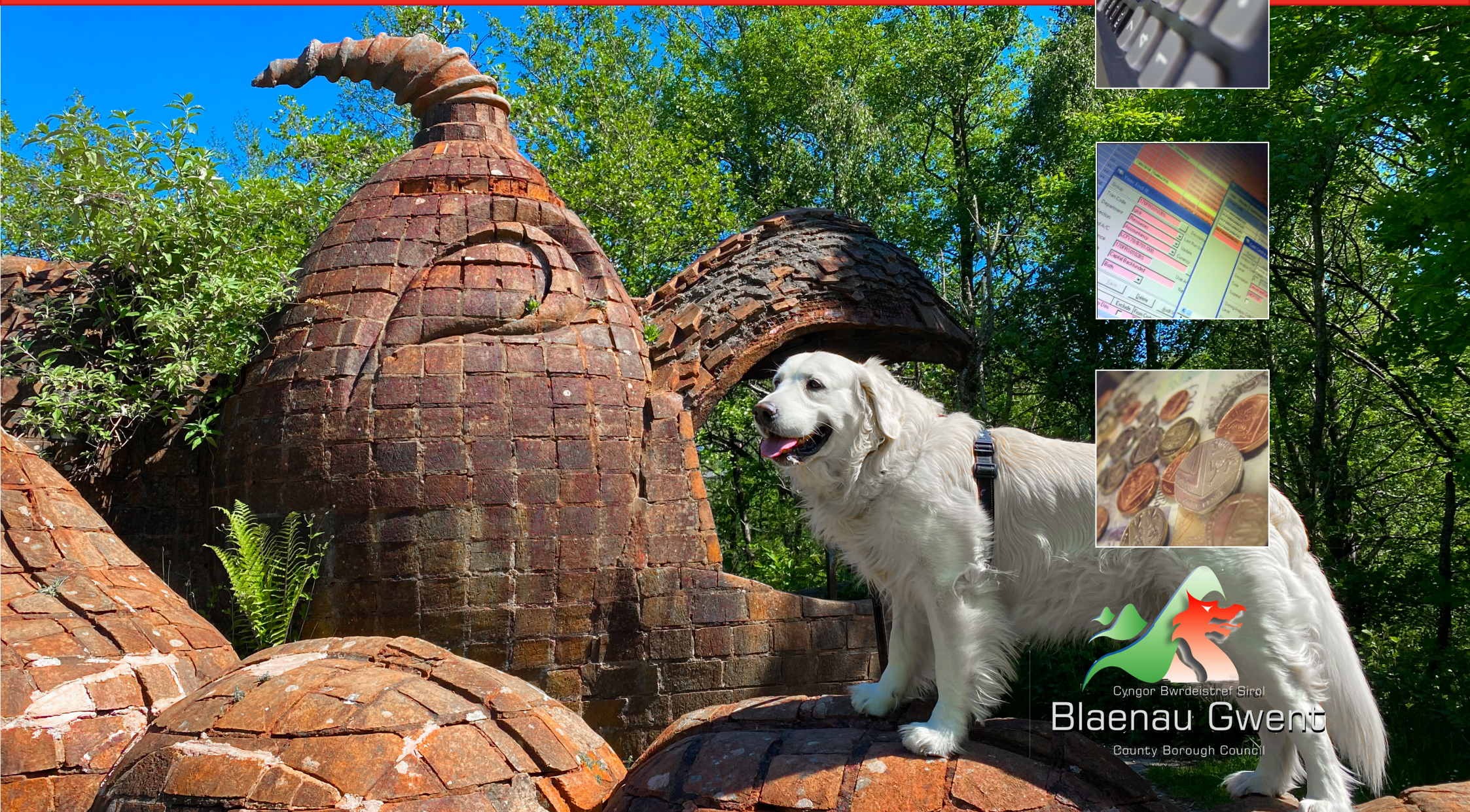
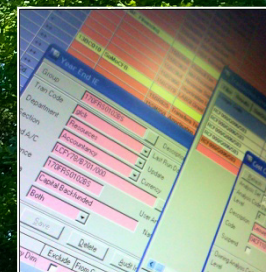


2023/2024

Statement of Accounts

July 2025



Cyngor Bwrdeistref Sirfol
Blaenau Gwent
County Borough Council



Gwen Heeney's 'Mythical Creature', Festival Park, Ebbw Vale.

Festival Park spans over 70 acres of scenic parkland, a lasting legacy of the 1992 Garden Festival Wales. Many original sculptures and features from the event remain (including Gwen Heeney's 'Mythical Creature') offering visitors a glimpse into its vibrant past.

Among its leisure highlights is an Owl Sanctuary, providing a unique experience for wildlife enthusiasts.

The park also features tranquil woodlands and two picturesque lakes, which are popular spots for local anglers and nature lovers alike.



Cyngor Bwrdeistref Sirol

Blaenau Gwent

County Borough Council

Contents

Page Number

Abbreviations and Terms Used	i - ii
Narrative Report	1
Statement of Responsibilities	14
Auditor's Report	15

The Statement of Accounts

The Core Financial Statements

Comprehensive Income and Expenditure Statement	18
Movement in Reserves Statement	20
Balance Sheet	22
Cash Flow Statement	23

The Notes to the Core Financial Statements

1. Accounting Policies	24
2. Impact of changes in Accounting Policies, Accounting Estimates and Errors	32
3. Accounting Standards Issued but not yet Adopted	32
4. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty	33
5. Critical Judgements in Applying Accounting Policies	35
6. Events After the Reporting Period	35

Notes to the Comprehensive Income and Expenditure Statement

7. Expenditure and Funding Analysis	35
8. Taxation and Non-Specific Grant Income	41

Contents (Continued)

Page Number

9. Other Operating Expenditure	42
10. Financing and Investment Income and Expenditure	42
11. Agency Income and Expenditure	43
12. Partnership Schemes Under Section 33 of the NHS (Wales) Act 2006	44
13. Members' Allowances	45
14. Officers' Remuneration	45
15. Termination Benefits and Exit Packages - Costs to Authority	48
16. Termination Benefits and Exit Packages - Causes	49
17. External Audit Fees	49
18. National Non-Domestic Rates	50
19. Council Tax	51
20. Precepts and Demands	51
21. Grants & Contributions	52
22. Related Parties	55

Notes to the Movements in Reserves Statement

23. Other Comprehensive Income and Expenditure	60
24. Adjustments Between Accounting Basis and Funding Basis Under Statutory Provisions	61

Notes to the Balance Sheet

25. Property Plant and Equipment	64
26. Heritage Assets	71
27. Leases	73
28. Non-Current Investments	74
29. Non-Current Debtors	75

Contents (Continued)

Page Number

30. Consolidation of Schools in Single Entity Accounts	76
31. Current Investments	77
32. Inventories	78
33. Current Debtors	78
34. Current Creditors	81
35. Provisions, Contingent Liabilities and Contingent Assets	81
36. Other Long-Term Liabilities	84
37. Financial Instruments	85
38. Nature and Extent of Risks Arising from Financial Instruments	87
39. Post-Employment Benefits – Defined Contribution Plans (Teachers)	90
40. Post-Employment Benefits – Defined Benefit Plans (LGPS & TPS Discretionary Payments)	91
41. Reserves	99

Notes to the Cash Flow

42. Reconciliation of the Deficit on the Provision of Services to Net Cash Flows From Operating Activities	107
43. Analysis of the Amounts of Major Classes of Gross Cash Receipts and Gross Cash Payments	107
44. Cash and Cash Equivalents	108

Other Notes

45. Joint Operations - Lime Avenue Joint Venture Agreement	111
46. Joint Arrangements - Cardiff Capital Region City Deal	114
47. Joint Arrangements - Other	117
48. Joint Venture Agreement - Ebbw Valley Railway	118
49. Charitable Trusts	119

Group Accounts

Abbreviations and Terms Used

Byrfoddau a Thermau a Ddefnyddir



Cyngor Bwrdeistref Sirol

Blaenau Gwent

County Borough Council

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
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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Cyngor Bwrdeistref Sirol

Blaenau Gwent

County Borough Council

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 2023 to 31 March 2024 and have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/2024 (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

The economic situation remained a major concern as the cost of living crisis continued into 2023. Inflation, whilst slowly reducing, remained high; pay settlements were higher than anticipated; and utility costs increased significantly. These factors continue to put pressure on budgets over the short to medium term.

The overall Welsh Government (WG) Revenue settlement for 2023/2024 was positive with an increase in Aggregate External Finance of 6.5% (£8.5m). However the impact of general price inflation combined with soaring energy prices and increased pay costs was significant and resulted in a budget gap of £7.2m. The budget agreed included a 4% uplift to schools budgets and an increase in Council Tax of 3.45%. In addition the Council approved £3m of budget cuts and efficiencies and the application of £4.26m from specific reserves.

The Council faces significant financial challenges over the next 5 years, with the Medium Term Financial Strategy indicating a funding gap of £13.7m (as at February 2025).

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 2023/2024 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. However, it is also acknowledged that increased coverage of contract related systems and corporate systems is needed during 2024/2025 to ensure the findings relating to these areas are not wider spread.

3.2 Silent Valley Waste Services Ltd.

On 1 May 2023 Silent Valley Waste Services Ltd. ceased trading and the Council assumed responsibility for all of the Company's assets and liabilities.

The Council's single entity accounts reflect any significant or material balances and transactions with Silent Valley Waste Services Ltd. to 31 March 2024.

3.3 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 scheduled conclusion of the infrastructure works in 2024/2025. In order to meet the loan repayments the Council will receive from Transport for Wales (Rail) a guaranteed Asset Development Fee on an annual basis.

3.4 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, at the Balance Sheet date (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 had 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 has therefore been included in the Council's Balance Sheet in relation to the requirement to purchase the Welsh Government Capital Share. At 31 March 2024 this has been included at £9.036m, being the value of grant received from Welsh Government at that date (*31 March 2023: £4.492m*).

3.5 Events After the Reporting Date

On 18 March 2025, a third supplemental agreement between Welsh Government and Blaenau Gwent Council was signed in relation to the Lime Avenue Joint Venture. This supplemental agreement 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, with effect from the date of the agreement, the Council no longer has to include this liability in its accounts.

As the supplemental agreement is not effective until March 2025, this has been treated as a non-adjusting event after the reporting date and the £9.036m liability remains in the accounts for 2023/2024. At 31 March 2025, this liability will have been removed.

4. Summary of Outturn

4.1 Revenue

Overall, the management accounts have reported an underspend of £3.2m after net contributions to specific reserves of £1.4m and this reduced the required draw from specific reserves to balance the budget to £0.8m.

The favourable position is due to:

- Significant levels of staff vacancies and staff turnover across all services;
- Utilising grant funding to displace core expenditure to ensure that grants are maximised;
- Take up of Council Tax Reduction Scheme being lower than expected;
- Better than expected Council Tax collection; and
- Transformation Fund & 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 in September 2024.

4.2 Capital

Capital expenditure in 2023/2024 totalled £60.157m covering a range of projects including Business and Industrial Units, the Highways Network, Schools and the Railway Infrastructure Project.

The outturn position reports an underspend against in-year approvals of £166,000, mainly relating to 2 schemes:

- Childcare Offer Small Grants Scheme, due to low take up of grants; and
- 20 mph core allocation, the scheme being delivered within the funding approval.

4.3 Reserves

Total Usable Reserve balances increased by £2.174m during 2023/2024. This was largely a result of the establishment of an earmarked reserve related to the Silent Valley Waste Site, using sums previously held by Silent Valley Waste Services Ltd. which transferred to the Council in May 2023.

5. Revenue Expenditure Outturn and Funding

5.1 2023/2024 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	2023/2024					
	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	25,823	(9,643)	(77)	16,103	18,074	(1,971)
Education *	12,860	58,572	1,393	72,825	73,573	(748)
Environment	26,511	13,177	(5,727)	33,961	34,572	(611)
Regeneration & Economic Development	(3,522)	851	4,327	1,656	1,979	(323)
Social Services	51,836	1,707	496	54,039	54,392	(353)
Licensing	134	15	7	156	150	6
Planning	298	868	32	1,198	1,543	(345)
Sub-Total:	113,940	65,547	451	179,938	184,283	(4,345)
Education - School Spending **	64,841	(54,230)	(9,567)	1,044	0	1,044
Cardiff Capital Region City Deal ***	(12)	67	(55)	0	0	0
Total:	178,769	11,384	(9,171)	180,982	184,283	(3,301)

*: 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 at April 2024 was 3.2%, having reduced during the year from a high of 10.1% at April 2023. The continuing higher than forecast levels were driven primarily by high energy costs, fuel prices and global goods inflation. Inflation fluctuated during 2024/25 reducing to 1.7% in September 2024 (below the 2% target set by the Bank of England) before increasing again to 3% in January 2025.

The impact of inflationary pressures on the Authority varies according to specific areas of spend. Much of the Authority's expenditure relates to employee costs with a 1% increase in employee costs equating to approximately £1.2m. Recent wage increases have been much higher than previously expected, adding to the pressure on local government budgets.

As part of the Bank of England's continued response to tackling inflation, the Monetary Policy Committee (MPC) maintained the Bank Rate at 5.25% throughout 2023/2024. The MPC reduced the bank rate further during 2024/2025, to 5% in August and 4.75% in November and continues to review rates in line with their assessment of the economic outlook and may apply further interest rate increases or decreases in order to control inflation.

Overall, increases in prices at which the Authority procures goods and services (in excess of related income from fees and charges or general government grants) will have a detrimental impact on a wide range of services.

5.3 Funding Sources

The majority of the Authority's expenditure is funded by Welsh Government, through Revenue Support Grant, Specific & Unhypothecated Grants and Non-Domestic Rates.

For 2023/2024, Aggregate External Financing (adjusted for transfers) increased by 6.5% compared with 2022/2023, lower than the average Welsh Unitary Authority increase of 7.9% (*source: Local Government Finance Report (No.1) 2023-24 (Final Settlement - Councils) - Table 1a).*

For 2024/2025, Aggregate External Financing (adjusted for transfers) increased by 2.8% compared with 2023/2024, lower than the average Welsh Unitary Authority increase of 3.3% (*source: Local Government Finance Report (No.1) 2024-25 (Final Settlement - Councils) - Table 1a).*

A 1% increase in Aggregate External Financing (AEF) levels represents additional funding of approximately £1.4m, which equates to 0.45% of the Authority's total funding. In real terms this increase is reduced by the impact of inflation.

The level of investment income available to the Authority has been increased as a result of higher rates of interest, but this has been offset to some extent by the increase in interest expenses on borrowing.

In summary, the combination of high interest rates, controlled grant funding and the uncertainties caused by rising prices create an environment in which there is continued pressure to maintain control of costs.

6. Capital Expenditure Outturn and Funding

Capital Expenditure

In year, total capital expenditure amounted to £60.157m, an increase of £12.567m compared to the previous year, largely due to increased expenditure on Schools Band B projects and the Ebbw Valley Railway.

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

Capital Expenditure by Scheme	2023/2024		2022/2023	
	£000	£000	£000	£000
Rail Infrastructure Programme	30,059		28,967	
Schools & Education Establishments	11,422		5,955	
Regeneration Schemes	5,147		2,245	
Road Network & Maintenance Schemes	3,950		1,806	
Lime Avenue JVA	4,544		1,724	
Flying Start Schemes	551		1,524	
Social Services Adults	559		1,131	
Social Services Children	40		1,004	
Housing General	962		849	
Corporate Property	148		843	
Waste Management	1,089		630	
Finance Leases	0		329	
Industrial Units	250		246	
Leisure Schemes	393		152	
City Deal	0		98	
Town Centre Regeneration	855		68	
Other	188		19	
Total:		60,157		47,590

Further details of capital expenditure are contained in Core Statement notes 25.2, 25.3 and 25.5.

Financing of Capital Expenditure

Capital expenditure totalling £60.157m was financed by local authority borrowing (£36.742m), grants (£23.139m), capital receipts (£0.093m) and revenue contributions (£0.183m).

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 2023/2024, 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 35.3.

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 £6.346m (*restated to include a provision for Leachate Management at the Silent Valley Waste Site*), increasing by £2.013m to £8.359m during 2023/2024. This was largely due to the establishment of a provision for aftercare liabilities at the Silent Valley Waste Site and increased liabilities identified in relation to equal pay claims, offset by reductions in sums held for insurance.

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 35.2 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 £60.690m at 31 March 2023, increasing by £2.174m to £62.864m at 31 March 2024:

Aggregate Usable Reserves - year on year movement	2022/2023	2023/2024	(Increase) / Decrease	
	£000	£000	£000	%
Council Fund	(12,910)	(13,072)	(162)	1.25
Earmarked Reserves	(33,877)	(35,610)	(1,733)	5.12
Usable Capital Reserves	(13,903)	(14,182)	(279)	2.01
Total Usable Reserves	(60,690)	(62,864)	(2,174)	3.58

Over the financial year, the Council Fund General Reserve has increased by £0.162m (+1.25%), from £12.910m to £13.072m. 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; and
- use of the reserve to continue the free school meals direct payment scheme during the school summer holidays of 2023 following termination of Welsh Government funding.

The year on year increase of £2.174m 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;
- in-year receipt of additional specific grants to be utilised in delivering the relevant service outcomes in 2024/2025 onwards; and
- the establishment of an earmarked reserve related to the Silent Valley Waste Site, using sums previously held by Silent Valley Waste Services Ltd. which transferred to the Council in May 2023.

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 £62.864m at 31 March 2024 (*£60.690m at 31 March 2023*). The effect of applying the net superannuation fund deficit of £100.988m to the Authority's usable reserves would be a deficit of £38.124m (*2022/2023: the superannuation deficit of £74.858m exceeded usable reserves by £14.168m*).

However, this deficit is 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	2023/2024			2022/2023	
	£000	£000		£000	£000
Balance at 1 April		(60,690)	Balance at 1 April		(85,316)
Significant net contributions (to)/from earmarked reserves:			Significant net contributions (to)/from earmarked reserves:		
Cardiff Capital Region City Deal	(227)		Financial Planning/ Resilience	(1,500)	
Downsizing, Redundancy & Transitional Costs	(189)		Future Interest Rate	(853)	
Energy Centre	(189)		Inflation & Service Cost Pressure	450	
Future Interest Rate	(432)		Insurance Liabilities	(318)	
Individual Schools Budget (ISB)	(247)		Invest to Save	(395)	
Invest to Save	(565)		LMS	1,504	
LMS	3,505		Rail Loan Interest	(866)	
Rail Loan Interest	(713)		Revenue Grants & Contributions Unapplied	(497)	
Revenue Grants & Contributions Unapplied	(493)		Reserves Related to Portfolio Services	621	
Reserves Related to Portfolio Services	(755)		Strategic Business Reviews	168	
Silent Valley Waste Services	(1,504)		Supporting Additional Capacity	292	
		(1,809)			(1,394)
Significant net contributions (to)/from other usable reserves:			Significant net contributions (to)/from other usable reserves:		
Usable Capital Receipts	(497)		Usable Capital Receipts	(404)	
Capital Grants Unapplied	218		Capital Grants Unapplied	26,528	
Other net contributions (to)/from usable reserves	(86)		Other net contributions (to)/from usable reserves	(104)	
		(365)			26,020
Balance at 31 March		(62,864)			(60,690)

8. Treasury Management Activities

In March 2023, the Authority approved the Treasury Strategy Statement, Annual Investment Strategy and MRP Policy Statement for the 2023/2024 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.

Borrowing Activities

Total external loan debt at 31 March 2024 amounted to £149.946m (31 March 2023: £190.025m). 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 2024 resulting in a decrease in the fair value of £16.910m.

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

	2023/2024			2022/2023		
	Temporary	Other	Total	Temporary	Other	Total
	Loans	Loans		Loans	Loans	
	£000	£000	£000	£000	£000	£000
Borrowing						
Balance at 1 April	(48,367)	(141,658)	(190,025)	(62,367)	(138,239)	(200,606)
Adjustment to Present Value of Rail Loan	0	16,910	16,910	0	0	0
Loans Raised	(64,355)	0	(64,355)	(56,000)	(14,578)	(70,578)
Loans Repaid	74,270	13,166	87,436	70,000	11,318	81,318
Effective Interest Adjustment	0	(9)	(9)	0	(48)	(48)
Soft Loan Adjustment	0	97	97	0	(111)	(111)
Balance at 31 March	(38,452)	(111,494)	(149,946)	(48,367)	(141,658)	(190,025)

Investing Activities

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

Investments	2023/2024	2022/2023
	£000	£000
Balance at 1 April	66,065	100,000
Investments Made	298,800	460,565
Investments Repaid	(342,334)	(494,500)
Balance at 31 March	22,531	66,065

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

Analysis of Investments	31 March 2024	31 March 2023
	£000	£000
Call Account Cash Deposits	3,000	10,000
Fixed Term Cash Deposits	19,500	44,000
Short Term Investments	31	12,065
Total	22,531	66,065

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 2023/2024 the sum of £1.807m (2022/2023: £1.744m) has been set aside by the Authority based on statutory guidance, as disclosed in note 1.17.

Interest on external loan debt of £5.797m has been charged to the Comprehensive Income & Expenditure Statement in 2023/2024 (2022/2023: £4.700m).

9. Pension Assets and Liabilities

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

Pension Assets and Liabilities	31 March 2024	31 March 2023
	£000	£000
Assets	505,419	456,819
Liabilities	(606,407)	(531,677)
Net Liabilities	(100,988)	(74,858)

All Pension Assets held relate to the Greater Gwent Local Government Scheme. Total liabilities at 31 March 2024 include £26.774m related to the Teachers Pension Fund (31 March 2023: £25.715m), 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 2024 (for funded obligations) indicated a surplus (i.e. asset) of £11.117m. 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, the pension asset figure was reduced in the 2023/2024 Accounts by £11.117m, 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 is £70.118m. Fund liabilities have therefore been increased by this amount at 31 March 2024 (again 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 £81.235m, effectively taking the fund from a surplus position of £11.117m to a deficit position of £70.118m.

10. Movement in Valuation of Non-Current Assets

During 2023/2024, the net cost or valuation of non-current assets (Property, Plant & Equipment) recorded on the Authority's Balance Sheet showed an increase of £0.6m, from £355.8m to £356.4m. This can be analysed between the decrease arising from in-year transactions of £2.6m, offset by the recognition at 1 April 2023 of a Decommissioning Asset for the Silent Valley Waste Site, which increased the balance of non-current assets by £3.2m.

In-year movements were largely the result of £47.3m expenditure on Assets Under Construction (including £30m on the Ebbw Valley Railway Project) a further £5.5m of additions or enhancements to existing assets and revaluations of £14.0m, offset by the transfer (disposal) of the Ebbw Valley Railway asset on change of status to operational.

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

Movement in Property, Plant & Equipment Assets	2023/2024	2022/2023
	£000	£000
Balance Brought Forward at 1 April	355,781	291,911
Adjustment to Balances Brought Forward	3,176	0
Revised Balance Brought Forward at 1 April	358,957	291,911
Expenditure on Assets Under Construction	47,306	37,331
Additions/Enhancements	5,535	4,221
Disposals	(62,753)	(220)
Revaluations	13,953	26,410
Depreciation Written Back on Revaluation	5,397	6,463
In-Year Depreciation & Impairment	(11,990)	(10,335)
Balance Carried Forward at 31 March	356,405	355,781

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

11. Significant Changes in Accounting Policies

11.1 CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2023/2024

The 2023/2024 Accounting Code of Practice includes the following new or revised accounting standards, none of which has impacted on the preparation of the Authority's Accounts:

- IAS 8 Accounting Policies, Changes in Accounting Estimates & Errors - Amendments to the definition of accounting estimates issued in February 2021.
- IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 - Amendments to the disclosure of Accounting Policies, where entities are now required to disclose its material rather than significant accounting policies.
- IAS 12 Income Taxes - Amendments to IAS 12, issued in May 2021 - Deferred Tax related to Assets and Liabilities arising from a single transaction, gives an exemption from the initial recognition exemption provided.
- IFRS 3 - Business Combinations - Update to a reference to the Conceptual Framework was issued in May 2020.

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 2023/2024.

Expenditure & Funding Analysis - Summary	2023/2024					2022/2023				
	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	180,982	(182,896)	(1,914)	12,261	10,347	163,139	(164,631)	(1,492)	4,639	3,147
Tax Expenses			19					(7)		
Transfers to/(from) earmarked reserves			1,733					1,693		
(Increase)/Decrease in year			(162)					194		
Opening council Fund Balance as at 1 April			(12,910)					(13,104)		
Closing Council Fund Balance as at 31 March			(13,072)					(12,910)		

14. Group Accounts

The Authority is required to prepare Group Accounting Statements including Silent Valley Waste Services Limited, a wholly-owned subsidiary (up to 2023/2024, when the activities of the company were transferred back 'in-house' during the financial year).

Bedwellty House & Park Charitable Trust (BHAP CT) 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 also 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 24-32 and 125-126 and are included in the Statement of Accounts on pages 121-139.

15. Future Developments

15.1 Budget-Setting Process

The Council's Medium Term Financial Strategy 2025/2026 to 2029/2030 is indicating a funding gap of £13.7m over the 5 year period.

In recognising the challenges that the Council faces in the short, medium and long term, a programme of Strategic Business Reviews has and continues to be developed to deal with identified gaps between anticipated funding and expenditure that aims to build financial resilience. Based on strategic themes the Bridging the Gap programme will identify savings opportunities, potential cost avoidance and new revenue streams. There will be a need to review what services the Council will provide, what it will stop and/or reduce and what will be delivered differently, as it moves to a community approach to delivering services and adopting the Marmot principles of tackling inequality through action on the social determinants of health.

The approach has a particular emphasis on the following themes:

- Strategic asset management planning – taking an organisational approach to consider the use of assets such as buildings and reducing or ceasing usage;
- Digital innovation programme – the adoption of modern digital technologies to improve business processes. Digital innovation improves customer experience and performance and can be used to create new business models;
- Shared/alternative service delivery models/service redesign – the Council will work more closely with residents, community groups and community councils as well as other public bodies in designing and delivering services;
- Energy projects – exploration/implementation of alternative energy sources (e.g. solar, wind) to reduce both costs and carbon footprint of buildings/services;

- Route optimisation/use of fleet;
- Commercial investment opportunities/growth strategy;
- Managing demand – designing services around early intervention and prevention, enabling people to live with greater independence; and
- Review of Fees & Charges – full cost recovery.

15.2 Cardiff Capital Region City Deal (CCRC)

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, City Deal has evolved from a single funding program to the multiple funding functions and accountabilities of a wider City Region, which would be best managed via a Corporate Joint Committee. The South East Wales Corporate Joint Committee Regulations 2021 established a Corporate Joint Committee (CJC) for the Cardiff City Region, which came into effect on 1 April 2021. It was anticipated that the CJC would assume full delivery of the City Deal programme during 2021/2022 and in order to provide business continuity during the transition period, a 'twin-track' approach was adopted. During this initial phase, the CJC operated at a 'bare minimum', ahead of setting its first statutory budget on 31 January 2022. However, a number of technical/legal issues delayed the process of full delivery by the CJC until March 2024.

16. Conclusion

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

The Council experienced significant delays in producing its 2022/2023 Accounts, not least due to the consideration and finalisation of the complex accounting treatment of two specific issues - namely the Lime Avenue Joint Venture (an agreement between Blaenau Gwent CBC & Wales Government) and the consolidation of the assets of the Bedwellty House & Park Charitable Trust. That audit was finally concluded in December 2024 with an unqualified opinion. However the delay in concluding the 2022/2023 Accounts has had a consequential impact upon preparation of these accounts (2023/2024) and those for 2024/2025

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

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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 Corporate Director of Corporate Resources.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

The Responsibilities of the Corporate Director of Corporate Resources

The Corporate Director of Corporate Resources 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 Corporate Director of Corporate Resources has:

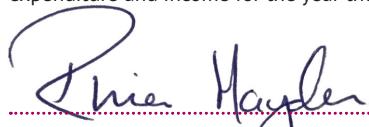
- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent; and
- Complied with the Local Authority Code.

The Corporate Director of Corporate Resources 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 2024, and of their expenditure and income for the year then ended



Corporate Director of Corporate Services

28 July 2025

Date

I confirm that these Accounts were approved at the Governance & Audit Committee Meeting on 28 July 2025. Signed on behalf of Blaenau Gwent County Borough Council:



Chair of Meeting

28 July 2025

Date



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Blaenau Gwent

County Borough Council

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 2024 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 2023-2024.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of Blaenau Gwent County Borough Council and Blaenau Gwent County Borough Council Group as at 31 March 2024 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2023-2024.

Basis of Opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements and regularity of Public Sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the Blaenau Gwent County Borough Council and the group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Blaenau Gwent County Borough Council and the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023-2024..

Matters on which I report by exception

In the light of the knowledge and understanding of Blaenau Gwent County Borough Council and the group and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the Responsible Financial Officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 14, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, including Blaenau Gwent County Borough Council's Group financial statements, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the Blaenau Gwent County Borough Council and group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by the Blaenau Gwent County Borough Council and group will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, Blaenau Gwent County Borough Council's Audit and Risk Manager and those charged with governance, including obtaining and reviewing supporting documentation relating to Blaenau Gwent County Borough Council and group's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition and posting of unusual journals;
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Enquiring of management, the Governance and Audit Committee and legal advisors about actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Blaenau Gwent County Borough Council and group's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Blaenau Gwent County Borough Council and group in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.



Adrian Crompton

Auditor General for Wales

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

31 July 2025

Date

Note:

The maintenance and integrity of the Authority's website is the responsibility of the Chief Finance Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

...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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Blaenau Gwent

County Borough Council



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County Borough Council

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	2023/2024			2022/2023			Note:
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000	£000	£000	£000	£000	£000	
Continuing Operations							
Corporate Services	48,665	(22,842)	25,823	50,797	(23,275)	27,522	17
Education	22,413	(9,553)	12,860	17,631	(9,959)	7,672	
Education - Schools	71,131	(6,290)	64,841	58,443	(5,954)	52,489	30
Environment	41,307	(14,796)	26,511	35,715	(9,785)	25,930	
Cardiff Capital Region City Deal	1,650	(1,662)	(12)	1,074	(1,087)	(13)	46
Regeneration & Economic Development	8,136	(11,658)	(3,522)	10,744	(6,734)	4,010	
Social Services	79,773	(27,937)	51,836	79,936	(27,271)	52,665	12
Licensing	230	(96)	134	255	(114)	141	
Planning	1,064	(766)	298	1,465	(457)	1,008	
Total Deficit on Continuing Services	274,369	(95,600)	178,769	256,060	(84,636)	171,424	7

Comprehensive Income & Expenditure Statement (Continued)	2023/2024			2022/2023			Note:
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000	£000	£000	£000	£000	£000	
Total Deficit on Continuing Services	274,369	(95,600)	178,769	256,060	(84,636)	171,424	
Other Operating Expenditure	74,255	(22,054)	52,201	10,932	(457)	10,475	9, 19, 20
Financing and Investment Income & Expenditure	30,663	(26,019)	4,644	25,538	(14,418)	11,120	10
Taxation & Non-Specific Grant Income	0	(225,267)	(225,267)	0	(189,872)	(189,872)	8, 18, 19, 21
(Surplus)/Deficit on Provision of Services	379,287	(368,940)	10,347	292,530	(289,383)	3,147	7
Tax Expenses			19			(7)	46.1
(Surplus)/Deficit on Provision of Services <i>less</i> Tax Expenses			10,366			3,140	MiRS
(Surplus)/Deficit Arising on the Revaluation of Non-Current Assets			(16,887)			(20,003)	
Remeasurement of the net defined benefit pension liability			28,360			(237,700)	40
Other Comprehensive Income & Expenditure			11,473			(257,703)	MiRS, 23
Total Comprehensive Income & Expenditure			21,839			(254,563)	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				
2022/2023	£000	£000	£000	£000	£000	£000	£000	
Balance at 1 April 2022	(13,104)	(32,185)	(8,198)	(31,829)	(85,316)	173,515	88,199	
Total Comprehensive Income and Expenditure	3,140	0	0	0	3,140	(257,703)	(254,563)	CIES
Adjustments between accounting basis & funding basis under statutory provisions	(4,638)	0	(404)	26,528	21,486	(21,486)	0	24
Net (Increase)/Decrease before transfers to Earmarked Reserves	(1,498)	0	(404)	26,528	24,626	(279,189)	(254,563)	
Transfers from Council Fund (to) Earmarked Reserves	1,692	(1,692)	0	0	0	0	0	41
(Increase)/Decrease in 2022/2023	194	(1,692)	(404)	26,528	24,626	(279,189)	(254,563)	
Balance at 31 March 2023	(12,910)	(33,877)	(8,602)	(5,301)	(60,690)	(105,674)	(166,364)	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 2023/2024	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 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

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 2024		31 March 2023		Note:
	£000	£000	£000	£000	
Property, Plant & Equipment	356,405		355,781		25, 27, 30
Investment Properties	2,888		2,938		46
Heritage Assets	726		726		26
Non-Current Investments	1,018		658		28
Non-Current Debtors	24,753		3,989		29
Sub Total: Long-Term Assets		385,790		364,092	
Current Investments	31		12,065		31
Inventories	395		1,004		32
Current Debtors	37,290		42,276		33
Deferred Tax Asset	99		83		46
Cash and Cash Equivalents	17,990		51,381		44
Sub Total: Current Assets		55,805		106,809	
Current Borrowing	(54,299)		(57,527)		37-38
Current Creditors	(22,160)		(20,362)		34
Current Grants Receipts in Advance	(2,886)		(8,274)		21
Current Donated Assets	(73)		(615)		32
Current Provisions	(936)		(1,108)		35
Sub Total: Current Liabilities		(80,354)		(87,886)	
Non-Current Borrowing	(95,647)		(132,498)		37-38
Non-Current Provisions	(7,423)		(2,062)		35
Other Long-Term Liabilities	(113,646)		(82,091)		36, 40
Sub Total: Long-Term Liabilities		(216,716)		(216,651)	
Total Net Assets/(Liabilities)		144,525		166,364	
Usable Reserves	(62,864)		(60,690)		41.1
Unusable Reserves	(81,661)		(105,674)		41.2
Total Reserves		(144,525)		(166,364)	

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	2023/2024		2022/2023		Note:
	£000	£000	£000	£000	
Net surplus/(deficit) on the provision of services <i>less</i> tax expenses	(10,366)		(3,140)		CIES
Adjustments to the provision of services for non-cash movements	10,919		21,332		42.1
Adjustments for items included in the provision of services that are investing and financing activities	(79)		(15,801)		42.2
Net Cash Inflows/(Outflows) from Operating Activities		474		2,391	
Investing activities		(15,888)		(26,560)	43.1
Financing activities		(17,977)		(10,897)	43.2
Net increase or (decrease) in cash and cash equivalents		(33,391)		(35,066)	
Cash and cash equivalents at the beginning of the reporting period		51,381		89,623	BS, 44
Cash and cash equivalents at the end of the reporting period		17,990		54,557	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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Cyngor Bwrdeistref Sirol

Blaenau Gwent

County Borough Council

1. Accounting Policies

1.1 General Principles

The Statement of Accounts summarises the Authority’s transactions for the 2023/2024 financial year and its position at the year-end of 31 March 2024. 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 2023/2024 and the Service Reporting Code of Practice 2023/2024, 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 2024			31 March 2023		
	Discount			Discount		
	Rate	RPI	CPI	Rate	RPI	CPI
	%	%	%	%	%	%
Short (Less than 17 years)	4.80	3.20	2.80	4.75	3.30	3.00
Medium (between 17 and 23 years)	4.85	3.10	2.75	4.75	3.20	2.95
Long (over 23 years)	4.85	3.05	2.75	4.75	3.15	2.95

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 2024) 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.
- LOBO debt – on an amortised cost basis 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

Leases held by the Authority are defined as being finance leases or operating leases in accordance with the requirements of the Code and IAS17.

A Finance Lease is a lease that transfers substantially all the risks and rewards incidental to ownership to the lessee. The Code does not provide definitive guidance as to the meaning of 'substantially all' and the Authority has therefore exercised judgement in determining the status of each lease according to context.

The following accounting treatment applies to each type of lease:

Finance Lease

Where the Authority is lessee, the asset is recognised in the Authority's Balance Sheet, together with matching liabilities in respect of rentals. The asset is then accounted for in accordance with the capital accounting process:

- Depreciation is charged to the service revenue account over the useful life of the asset (or the lease term of the lease if shorter);
- The principal element of the lease rental writes down the liability;

- The interest element of the lease rental is charged to the revenue account;
- MRP equal to the principal element of the finance lease rental is charged to the revenue account; and
- Adjusting entries are made to ensure that the revenue accounts are only charged with the annual lease rentals.

Where the Authority is lessor, the asset is not on the Authority's Balance Sheet, as substantially all the risks & rewards of ownership have been transferred to the third party. The accounting process is as follows:

- A long term lease debtor is set up for the principal amount outstanding (the net investment in the lease)
- Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, the Deferred Capital Receipts Reserve is credited with the total value of the lease asset due.
- Lease income received from the third party is split into principal and interest. The principal element is treated as a capital receipt and will write down the long term lease debtor.
- The interest element is credited to the Comprehensive Income & Expenditure Statement as financing and investment income.
- For leases entered into prior to 31 March 2010, the capital accounting regulations allow mitigating accounting entries that enable the principal element to continue to be treated as revenue income.

Operating Lease

Where the Authority is lessee, operating lease payments are charged to revenue as they become payable. No asset is created in the Authority's Balance Sheet.

Where the Authority is lessor, the asset is recognised in the Authority's Balance Sheet, depreciation is charged to the service revenue account over the useful life of the asset and lease income received from the third party is credited to the revenue account.

Service Concessions and Arrangements Containing Leases

The Authority currently has no such arrangements.

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 the 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 2023/2024 (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 (2022/2023: £50,000), 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 (CCRD) has a number of investment properties, with the most recent valuation of these having taken place during the preparation of their 2023/2024 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 two monuments meeting the definition of heritage assets, which have been valued on the basis of annually updated 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.

Both monuments identified as heritage assets are located in areas with free and open public access.

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 2023/2024 has been calculated in accordance with the MRP policy that was approved by full Council in March 2023, 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

In 2023/2024, the DeMinimis level applied to Capital Expenditure was changed from £50,000 to £10,000. It is estimated that this resulted in an additional £0.419m of expenditure being treated as capital in the 2023/2024 financial year.

3. Accounting Standards Issued but not yet Adopted

The 2024/2025 Accounting Code of Practice includes the following new or revised accounting standards that have effect from 1 April 2024.

Source, Requirement and Potential Impact

IFRS 16 - Leases

Issued January 2016: Recognition of Leases and Right of Use Assets on the Balance Sheet. It is estimated that the impact on assets and liabilities at 1 April 2024 will be material (approximately £3.465 million).

Issued September 2022: Amendments to the guidance for sale and leaseback transactions. No impact anticipated on the Authority's Accounts

IAS 1 Presentation of Financial Statements

Issued January 2020: Amendments enhance clarity on the classification of liabilities, ensuring that obligations are properly categorised as current or non-current. No significant impact anticipated on the Authority's Accounts.

Issued October 2022: Amendments to non-current liabilities with covenants regarding long term obligations. No significant impact anticipated on the Authority's Accounts.

IAS 12 Income Taxes

Issued May 2023: Amendments to International Tax Reform: Pillar Two Model Rules. No significant impact anticipated on the Authority's Accounts.

IAS 7 Statement of Cash Flows and IFRS 7 Financial Disclosure

Issued May 2023: Amendments to Supplier Finance Agreements. Additional disclosures in the financial statements. No significant impact anticipated on the Authority's Accounts.

IFRS16 *Leases* will be implemented from 1 April 2024. It removes the current operating and financing lease classifications and requires local authorities that are lessees to recognise all leases on their 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. It is estimated that additional assets to the value of £3.395 million will need to be recognised on the Balance Sheet, with a matching Leasing Liability Creditor. These leases will be considered as additional borrowing and therefore the Council's Capital Financing Requirement (CFR) will increase, with a resulting increase in the Minimum Revenue Provision (MRP). The initial estimated increase in annual MRP is £0.279m.

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 2024 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 £55.881m (<i>see note 40 for further sensitivity analysis</i>). However, the assumptions interact in complex ways. During 2023/2024, the Authority's actuaries advised that the net pensions liability had decreased by £54.125m as a result of remeasurements of pension assets and liabilities. This decrease comprised a £36.750m gain on assets (representing the difference between actual and expected asset return for the year) and net decreases in liabilities of £17.375m (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 £107.344m of assets in 2023/2024, 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 £1.073m. 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 +2.9% was an increase in the gross value of the Authority's assets of £1.111 million. A 1% variation in the index figure would result in an adjustment to carrying balances of £0.383m.
Fair Value Estimations	<p>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:</p> <ul style="list-style-type: none"> - 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.. <p>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.</p>	<p>The Authority uses 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. to measure the fair value of its Surplus Assets and Assets Held for Sale under IFRS13, depending on which technique it considers most appropriate.</p> <p>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.</p>
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 2024, the Authority has an outstanding debtors balance of £70.541m. In accordance with proper accounting practice, impairment allowances totalling 8.992m 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 2024, impairment allowances represent 12.75% of debt outstanding. A 5% overstatement in impairment would therefore represent a potential reduction in revenues of £3.529m.

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 used 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.
- v. The Authority has classified its leases as finance or operating in accordance with IFRS. Finance leases are not precisely defined and therefore an element of judgement has been required in assessing each lease arrangement.
- 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, Corporate Director of Corporate Services on 28 July 2025.

Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2024, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

Lime Avenue Joint Venture Agreement

The Third Supplemental Agreement to the Lime Avenue Joint Venture Agreement was signed on 18 March 2025. The effect of this agreement is to remove the obligation on Blaenau Gwent Council to purchase the Welsh Government Capital Share in the development in September 2039. As a result, the Council will no longer be required to include this liability in its Accounts. At 31 March 2024 this amounted to £9.036 million.

As the Supplemental Agreement is not retrospective, the liability included in the accounts at 31 March 2024 has not been adjusted. The appropriate accounting changes will be applied in the 2024/2025 financial year.

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	2023/2024					2022/2023				
	Management Account Net Expenditure £000	Accounting Code Adjustments (Note 7.1) £000	Net Expenditure Chargeable to the Council Fund (Note 7.2) £000	Funding & Accounting Basis Adjustments (Note 7.3) £000	CIES Net Expenditure £000	Management Account Net Expenditure £000	Accounting Code Adjustments (Note 7.1) £000	Net Expenditure Chargeable to the Council Fund (Note 7.2) £000	Funding & Accounting Basis Adjustments (Note 7.3) £000	CIES Net Expenditure £000
Corporate Services	16,103	9,643	25,746	77	25,823	16,209	8,914	25,123	2,399	27,522
Education	72,825	(58,572)	14,253	(1,393)	12,860	68,263	(55,204)	13,059	(5,387)	7,672
Education - School Spending	1,044	54,230	55,274	9,567	64,841	(4,820)	56,054	51,234	1,255	52,489
Environment	33,961	(13,177)	20,784	5,727	26,511	30,360	(10,496)	19,864	6,066	25,930
Cardiff Capital Region City Deal	0	(67)	(67)	55	(12)	0	(13)	(13)	0	(13)
Regeneration & Economic Development	1,656	(851)	805	(4,327)	(3,522)	1,628	(546)	1,082	2,928	4,010
Social Services	54,039	(1,707)	52,332	(496)	51,836	50,182	(2,208)	47,974	4,691	52,665
Licensing	156	(15)	141	(7)	134	128	(14)	114	27	141
Planning	1,198	(868)	330	(32)	298	1,189	(327)	862	146	1,008
Pension Adjustments*	0	648	648	(648)	0	0	465	465	(465)	0
Net Expenditure on Continuing Operations	180,982	(10,736)	170,246	8,523	178,769	163,139	(3,375)	159,764	11,660	171,424
Other Operating Expenditure	0	11,121	11,121	41,080	52,201	0	10,574	10,574	(99)	10,475
Financing & Investment Income & Expenditure	0	3,143	3,143	1,501	4,644	0	4,421	4,421	6,699	11,120
Taxation & Non-Specific Grant Income	0	(186,424)	(186,424)	(38,843)	(225,267)	0	(176,251)	(176,251)	(13,621)	(189,872)
(Surplus)/Deficit on the Provision of Services	180,982	(182,896)	(1,914)	12,261	10,347	163,139	(164,631)	(1,492)	4,639	3,147
Tax Expenses			19					(7)		
Transfers to/(from) earmarked reserves			1,733					1,693		
(Increase)/Decrease in year			(162)					194		
Opening Council Fund Balance as at 1 April			(12,910)					(13,104)		
Closing Council Fund Balance as at 31 March			(13,072)					(12,910)		

*: 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 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							
	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)	Total
	£000	£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)

This table shows the adjustments made to the 2022/2023 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	2022/2023							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	(11)	8,062	0	0	(25)	439	449	8,914
Education	(3,231)	(51,444)	0	0	(148)	(438)	57	(55,204)
Education - School Spending	0	49,715	0	0	0	0	6,339	56,054
Environment	(4,188)	(3,259)	0	(3,755)	439	123	144	(10,496)
Cardiff Capital Region City Deal	0	0	0	0	0	0	(13)	(13)
Regeneration & Economic Development	(425)	(137)	0	0	(3)	34	(15)	(546)
Social Services	(163)	(2,653)	0	0	(52)	643	17	(2,208)
Licensing	0	(9)	0	0	0	0	(5)	(14)
Planning	0	(269)	0	0	(1)	(57)	0	(327)
Pension Adjustments	0	0	(466)	0	0	0	931	465
Net Expenditure on Continuing Operations	(8,018)	6	(466)	(3,755)	210	744	7,904	(3,375)
Other Operating Expenditure	0	0	0	3,755	0	0	6,819	10,574
Financing & Investment Income & Expenditure	0	0	8,066	0	0	0	(3,645)	4,421
Taxation & Non-Specific Grant Income	0	0	0	0	0	0	(176,251)	(176,251)
(Surplus)/Deficit on the Provision of Services	(8,018)	6	7,600	0	210	744	(165,173)	(164,631)

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 'Capital Adjustments' 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	2023/2024	2022/2023
	£000	£000
External Fees, Charges & Other Service Income	(25,430)	(20,252)
Government Grants	(68,130)	(63,107)
Total Income	(93,560)	(83,359)
Employee Expenses	127,239	120,450
Other Service Expenses	136,567	122,673
Total Expenditure	263,806	243,123
Net Expenditure	170,246	159,764

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	2023/2024				2022/2023			
	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	12	(30)	95	77	6	2,498	(105)	2,399
Education	1,577	(2,994)	24	(1,393)	(6,959)	1,640	(68)	(5,387)
Education - School Spending	9,963	0	(396)	9,567	1,148	0	107	1,255
Environment	6,414	(771)	84	5,727	3,685	2,684	(303)	6,066
Cardiff Capital Region City Deal	55	0	0	55	0	0	0	0
Regeneration & Economic Development	(4,218)	(152)	43	(4,327)	2,560	416	(48)	2,928
Social Services	424	(1,112)	192	(496)	949	4,008	(266)	4,691
Licensing	0	(8)	1	(7)	0	29	(2)	27
Planning	0	(45)	13	(32)	0	161	(15)	146
Pension Adjustments	0	(648)	0	(648)	0	(465)	0	(465)
Net Expenditure on Continuing Operations	14,227	(5,760)	56	8,523	1,389	10,971	(700)	11,660
Other Operating Expenditure	41,080	0	0	41,080	(99)	0	0	(99)
Financing & Investment Income & Expenditure	(1,748)	3,394	(145)	1,501	(2,212)	8,066	845	6,699
Taxation & Non-Specific Grant Income	(38,843)	0	0	(38,843)	(13,621)	0	0	(13,621)
(Surplus)/Deficit on the Provision of Services	14,716	(2,366)	(89)	12,261	(14,543)	19,037	145	4,639

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	2023/2024	2022/2023
	£000	£000
Taxation & Non-Specific Revenue Grants		
Council Tax Income	(46,694)	(44,676)
Non-Domestic Rates	(22,038)	(25,180)
Revenue Support Grant	(117,692)	(105,616)
Total Taxation and Non-Specific Revenue Grants	(186,424)	(175,472)
Capital grants and contributions	(38,843)	(14,400)
Total	(225,267)	(189,872)

9. Other Operating Expenditure

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

		2023/2024			2022/2023		
		Gross Expenditure £000	Gross Income £000	Net Expenditure £000	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
Other Operating Expenditure							
(Gains)/losses on the Disposal of Non-Current Assets		62,754	(22,054)	40,700	280	(457)	(177)
Precepts & Levies:	Police & Crime Commissioner for Gwent	6,752	0	6,752	6,342	0	6,342
	South Wales Fire Authority	3,954	0	3,954	3,548	0	3,548
	Community Council Precepts	582	0	582	555	0	555
	Coroners' Courts	179	0	179	175	0	175
	National Park Levy	34	0	34	32	0	32
Total		74,255	(22,054)	52,201	10,932	(457)	10,475

10. Financing and Investment Income and Expenditure

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

		2023/2024			2022/2023		
		Gross Expenditure £000	Gross Income £000	Net Expenditure £000	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
Financing and Investment Income and Expenditure							
Change in Fair Value of Investment Property *		82	0	82	0	108	108
Impairment **		581	0	581	194	0	194
Interest payable and similar charges - Financial Instruments		4,651	0	4,651	4,708	0	4,708
Interest payable and similar charges - Other ***		183	0	183	5	0	5
Interest receivable and similar income - Financial Instruments		0	(2,507)	(2,507)	0	(1,789)	(1,789)
Interest receivable and similar income - Other ****		0	(340)	(340)	0	(172)	(172)
Net Pensions Interest Cost		25,166	(21,772)	3,394	20,631	(12,565)	8,066
Dividends Received		0	(1,400)	(1,400)	0	0	0
Total		30,663	(26,019)	4,644	25,538	(14,418)	11,120

*: 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 transactions and balances related to the various grants and reliefs administered during 2023/2024.

Funding Administered on Behalf of Welsh Government: Transactions	2023/2024		2022/2023	
	Funding Allocation	Payments Made or Reliefs Applied	Funding Allocation	Payments Made or Reliefs Applied
	£000	£000	£000	£000
Self Isolation Payments	0	0	(1,051)	1,051
SSP Enhancement Payments	0	0	(91)	91
Care Workers Payments	0	0	(2,903)	2,903
Cost of Living Scheme	0	0	(4,440)	4,440
Energy Support Scheme	(50)	50	(264)	0
Retail, Leisure and Hospitality Rate Relief	(1,717)	473	(1,300)	530
Ukraine Resettlement Scheme	(55)	55	(108)	108
Unpaid Carers	0	0	(712)	712
Winter Fuel Payments	0	0	(1,973)	1,973
Total	(1,822)	578	(12,842)	11,808

Funding Administered on Behalf of Welsh Government: Balances	Balance at 31 March 2024	Balance at 31 March 2023
	£000	£000
Energy Support Scheme	0	(264)
Retail, Leisure and Hospitality Rate Relief	(1,244)	(770)
Total	(1,244)	(1,034)

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

The following table summarises the purpose of each grant or relief scheme, and the number of individuals or businesses supported.

Funding Administered on Behalf of Welsh Government: Purpose	2023/2024	2022/2023
	Number of Businesses/ Individuals Supported	Number of Businesses/ Individuals Supported
Self Isolation Payments	0	2,106
<i>Payments of £500 were issued to people required to self isolate as a result of either contracting Covid-19 themselves or coming into contact with a person identified as carrying Covid-19.</i>		
SSP Enhancement Payments	0	256
<i>The statutory sick payment enhancement scheme provides funding to allow employers to pay eligible social care workers at full pay if they cannot work due to Covid-19.</i>		
Care Workers Payments	0	1,664
<i>Payments to Carers, announced by Welsh Government during 2022/23 as part of a nationwide scheme. 2023/24: 0 (2022/23: 1,664)</i>		
Cost of Living Scheme	0	29,600
<i>A £150 cost of living payment was made to all occupiers of properties that are in Band A, B, C and D to assist with rising costs of utility bills.</i>		
Energy Support Scheme	133	0
<i>To provide financial support for households across the UK that would otherwise miss out on the UK Government's Energy Bills Support Scheme as they did not have a domestic electricity contract.</i>		
Ukraine Resettlement Scheme	25	98
<i>To provide support for hosting accommodation for Ukraine Refugees £350 per month and £200 initial support payments.</i>		
Unpaid Carers Scheme	0	1,424
<i>Grant to provide financial support payment of £500 to unpaid carers.</i>		
Retail, Leisure and Hospitality Rate Relief	178	152
<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>		
Winter Fuel Support Scheme	0	9,867
<i>To provide support to eligible households towards paying winter fuel costs.</i>		

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 2024 were as follows.

Partnership Schemes:	2023/2024				2022/2023			
	GWICES £000	Gwent Frailty £000	Care Homes £000	Total £000	GWICES £000	Gwent Frailty £000	Care Homes £000	Total £000
Total Expenditure	4,457	17,166	137,951	159,574	3,940	16,447	118,709	139,096
Funding								
Blaenau Gwent County Borough Council	(298)	(649)	(9,769)	(10,716)	(164)	(599)	(8,185)	(8,948)
Caerphilly County Borough Council	(520)	(2,249)	(31,521)	(34,290)	(503)	(2,264)	(26,919)	(29,686)
Monmouthshire County Borough Council	(406)	(1,626)	(12,680)	(14,712)	(322)	(1,469)	(10,828)	(12,619)
Newport City Council	(377)	(1,993)	(28,529)	(30,899)	(334)	(1,891)	(23,144)	(25,369)
Torfaen County Borough Council	(1,475)	(822)	(14,154)	(16,451)	(1,195)	(805)	(13,070)	(15,070)
Aneurin Bevan University Health Board	(938)	(9,892)	(41,298)	(52,128)	(865)	(9,493)	(36,563)	(46,921)
Other	(443)	0	0	(443)	(557)	0	0	(557)
Total Funding	(4,457)	(17,231)	(137,951)	(159,639)	(3,940)	(16,521)	(118,709)	(139,170)
Net In-Year (Under)/Overspend	0	(65)	0	(65)	0	(74)	0	(74)
Balance Brought Forward	0	(456)	0	(456)	0	(382)	0	(382)
Balance Carried Forward	0	(521)	0	(521)	0	(456)	0	(456)

13. Members' Allowances

The total amount of allowances and expenses paid to Members during the year was £739,324 (2022/2023: £709,294), analysed as follows:

Members' Allowances	2023/2024 £000	2022/2023 £000
Allowances	739	709
Expenses	0	0
Total:	739	709

For 2022/2023, allowances included payments of £3,335 made to Members nominated to serve as Directors on the Board of Silent Valley Waste Services Ltd. (which were subsequently reimbursed by the Company). New directors appointed with effect from 7th June 2022 received no remuneration, so no comparable payments have been made in 2023/2024.

14. Officers' Remuneration

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

Officers Emoluments	2023/2024					2022/2023				
	Teaching	Other	Total	Left During Year	Total excluding leavers	Teaching	Other	Total	Left During Year	Total excluding leavers
Remuneration Band										
£60,000 - £64,999	21	15	36	0	36	9	4	13	0	13
£65,000 - £69,999	11	3	14	0	14	10	2	12	0	12
£70,000 - £74,999	6	1	7	0	7	4	2	6	0	6
£75,000 - £79,999	3	2	5	0	5	6	1	7	0	7
£80,000 - £84,999	6	1	7	0	7	2	3	5	0	5
£85,000 - £89,999	1	1	2	0	2	0	0	0	0	0
£90,000 - £94,999	1	0	1	0	1	2	0	2	0	2
£95,000 - £99,999	3	0	3	0	3	0	0	0	0	0
£100,000 - £104,999	1	0	1	0	1	0	0	0	0	0
£105,000 - £109,999	0	0	0	0	0	0	0	0	0	0
£110,000 - £114,999	0	0	0	0	0	0	0	0	0	0
£115,000 - £119,999	1	0	1	0	1	2	0	2	0	2
£120,000 - £124,999	1	0	1	0	1	0	0	0	0	0
Total	55	23	78	0	78	35	12	47	0	47

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.

14.2 Remuneration Ratio

For 2023/2024 the ratio of the Chief Executive's remuneration in comparison to the median remuneration of all the Authority's employees was as follows:

	2023/2024	2022/2023
Ratio of Chief Executive pay to median pay of all staff	1:3.83	1:3.79

The following table sets out the remuneration in 2023/2024 for senior officers (as defined by statute) whose salary for the year was between £60,000 and £150,000. There were no senior officers 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.

The following table sets out the remuneration in 2022/2023

for senior officers (as defined by statute) whose salary for the year was between £60,000 and £150,000.

2022/2023 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		106,350	0	0	0	106,350	26,056	132,406
Corporate Director of Education		91,664	0	0	0	91,664	22,458	114,122
Corporate Director of Regeneration & Community Services (to 31/05/22)	Note 1	15,304	0	81,234	0	96,538	3,750	100,288
Corporate Director of Regeneration & Community Services (from 03/10/22)	Note 1	42,244	0	0	0	42,244	10,350	52,594
Interim Corporate Director of Social Services		85,406	0	0	0	85,406	20,924	106,330
Chief Officer (Resources)	Note 2	83,582	0	0	0	83,582	20,478	104,060
Chief Officer (Commercial)		79,876	0	0	0	79,876	19,570	99,446
Head of Governance & Partnerships	Note 3	71,074	0	0	0	71,074	17,413	88,487
Head of Legal & Corporate Compliance	Notes 2 & 3	73,092	0	0	0	73,092	17,908	91,000
Total		648,592	0	81,234	0	729,826	158,907	888,733

Note 1: The Corporate Director of Regeneration & Community Services post became vacant in May 2022, and was filled with effect from 3 October 2022.

Note 2: The following post holders also received payments in their roles as Returning Officer and Deputy Returning Officer: Head of Legal & Corporate Compliance £4,574 and Chief Officer (Resources) £662.

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.

There were no senior officers whose salary exceeded £150,000.

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	2023/2024		2022/2023	
	Exit Packages Nº	Total Cost of Exit Packages £000	Exit Packages Nº	Total Cost of Exit Packages £000
£0-£19,999	36	165	42	190
£20,000-£219,999	3	100	7	437
Total	39	265	49	627

Note: Value bands have been combined in order 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 2023/2024, the contracts of 39 employees were terminated, incurring total liabilities of £0.265m (2022/2023: 49 employees, incurring liabilities of £0.627m). These payments can be disaggregated as follows:

Termination Benefits & Exit Packages	2023/2024 £000	2022/2023 £000
Pay in Lieu of Notice	156	188
Pension Costs	50	201
Redundancy Costs	44	90
Other Payments	15	148
Total	265	627

16. Termination Benefits and Exit Packages - Causes

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

Termination Benefits	2023/2024		2022/2023	
	No	£000	No	£000
Closure of Facilities / Cessation of Services	2	32	2	35
Financial Efficiency Project	1	50	2	223
Termination benefits arising for other reasons	36	183	45	369
Total	39	265	49	627

17. External Audit Fees

The Authority's appointed external auditors for the 2023/2024 financial year were Audit Wales (AW).
The following fees were incurred in relation to external audit and inspection:

External Audit Fees	2023/2024 £000	2022/2023 £000	CIES Service Line
Fees payable in respect of:			
External audit services relating to audit of the accounts	325	206	<i>Corporate Services Portfolio</i>
External audit services relating to Local Government Measures	114	112	<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	21*	50**	<i>Corporate Services Portfolio</i>
Total Audit Fees	512	420	

*: 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 was settled by Blaenau Gwent CBC.

** : Additional fees charged for the 2021/2022 audit of Accounts.

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 2024 was £34,506,895 (31 March 2023: £31,510,109).
- The national non-domestic rate multiplier for the year 2023/2024 was 0.535 (2022/2023: 0.535).
- The contribution received from the NNDR pool in 2023/2024 was £22,038,072 (2022/2023: £25,180,442).

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	2023/2024 £000	2022/2023 £000
Council Tax Collected	(47,290)	(45,433)
Less: Impairment of bad & doubtful debts	596	757
Net Total Proceeds from Council Tax	(46,694)	(44,676)
Less: Police & Crime Commissioner for Gwent	6,752	6,342
Community Council Precepts:		
Abertillery & Llanhilleth Community Council	289	289
Brynmawr Town Council	43	43
Nantyglo & Blaina Town Council	91	85
Tredegar Town Council	159	138
Total Precepts:	7,334	6,897
Council Tax attributable to this Authority:	(39,360)	(37,779)

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 2023/2024 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	55.00	18,645.00	7,895.00	2,623.00	1,680.00	851.00	324.00	59.00	13.00	8.00	32,153.00
Exemptions, Reliefs & Discounts	(8.25)	(2,190.25)	(686.75)	(195.75)	(98.75)	(44.75)	(12.75)	(2.25)	(5.00)	(1.50)	(3,246.00)
Effective Properties	46.75	16,454.75	7,208.25	2,427.25	1,581.25	806.25	311.25	56.75	8.00	6.50	28,907.00
Ratio	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	21/9	-
Band D Equivalents	25.97	10,969.84	5,606.42	2,157.56	1,581.25	985.42	449.58	94.58	16.00	15.17	21,901.79
Impairment											(1,095.09)
Council Tax Base											20,806.70

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	2023/2024 £000	2022/2023 £000
Brecon Beacons National Park Authority	34	32
Coroners' Courts	179	175
South Wales Fire Authority	3,954	3,548
Total:	4,167	3,755

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	2023/2024 £000	2022/2023 £000
Housing Grants	Welsh Government	Grants available for adaptations to private homes to support Independent Living.	(654)	(592)
Coal Tip Safety	Welsh Government	Surveys and remedial works on ensuring Coal Tip safety within the County Borough.	(327)	0
Sustainable Communities for Learning	Welsh Government	Childcare Offer Small Grants Scheme.	(307)	(239)
Disabled Equipment	Welsh Government	Purchase of equipment for use by Social Services clients.	(285)	(190)
Town Centre Grants	Welsh Government	Grants available to owners for development of commercial property.	(140)	(236)
Other Grants	Various	Various Outcomes.	(224)	(64)
Total:			(1,937)	(1,321)

Capital Grants (Taxation and Non-Specific Grants)	Awarding Body	Grant Purpose	2023/2024 £000	2022/2023 £000
Sustainable Communities for Learning	Welsh Government	School estate development and construction of new schools.	(9,313)	(4,822)
Levelling Up Fund	Department for Levelling Up, Housing & Communities	Funding for construction of the Hi Value Engineering Centre.	(4,973)	0
Local Transport Grants	Welsh Government	Highways infrastructure development, Road Safety and Active Travel.	(3,091)	(1,472)
General Capital Grant	Welsh Government	Funding towards the Council's own Capital Programme.	(1,171)	(872)
Cardiff Capital Region City Deal	HM Treasury	Capital works carried out by the CCRC.	(1,057)	(1,304)
Railway Infrastructure Loan	Welsh Government	Recognition of additional capital grant element of loan provided by Welsh Government for infrastructure works to the Ebbw Valley Railway.	(16,910)	0
Other Grants	Various	Various Outcomes.	(2,327)	(5,931)
Total:			(38,842)	(14,401)

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	2023/2024 £000	2022/2023 £000
DWP - Housing Benefit Subsidy	Department for Work & Pensions	Reimburse local authorities for administering Housing Benefit and supporting eligible individuals with housing cost assistance.	(19,482)	(19,049)
Local Education Authority Grant	Welsh Government	Support school standards, equity in education, reform initiatives, and Cymraeg 2050 goals across Wales' schools and authorities.	(8,068)	(7,184)
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.	(6,739)	(47)
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.	(3,702)	(2,699)
Housing Support Grant	Welsh Government	To support projects preventing homelessness and helping people to live in their own home or supported housing.	(3,539)	(3,499)
Education Improvement Grant	Welsh Government	To improve educational outcomes for all learners in Wales and to deliver educational reforms.	(2,136)	(2,279)
Other Grants	Various	Various Outcomes.	(25,004)	(28,350)
Total:			(68,670)	(63,107)

During the 2023/2024 financial year, the Council repaid revenue grants to the following awarding bodies, totalling £0.148m (2022/2023: £0.004m):

Grant Title (Repayments)	Awarding Body	Grant Purpose	2023/2024 £000	2022/2023 £000
Local Education Authority Grant	Welsh Government	Support school standards, equity in education, reform initiatives, and Cymraeg 2050 goals across Wales' schools and authorities.	145	4
Free School Meals	Welsh Government	Funding of provision of Free School Meals for primary school pupils.	3	0
Total:			148	4

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	2023/2024 £000	2022/2023 £000
Tech Valleys	Welsh Government	Funding provided for development of the Lime Avenue Business Units (Joint Operation between BGCBC and Welsh Government).	(9,036)	(4,492)
Levelling Up Fund	Department for Levelling Up, Housing & Communities	Funding for construction of the Hi Value Engineering Centre.	(811)	(2,985)
Sustainable Communities for Learning	Welsh Government	School estate development and construction of new schools.	(618)	(255)
Local Transport Grants	Welsh Government	Highways infrastructure development, Road Safety and Active Travel.	(440)	(1,901)
Flying Start	Welsh Government	Construction and development of existing sites for Flying Start childcare.	(373)	(387)
Other Grants	Various	Various Outcomes.	(469)	(914)
Total:			(11,747)	(10,934)

Revenue Grants (Receipts in Advance)	Awarding Body	Grant Purpose	2023/2024 £000	2022/2023 £000
Local Education Authority Grant	Welsh Government	Support school standards, equity in education, reform initiatives, and Cymraeg 2050 goals across Wales' schools and authorities.	(85)	(126)
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.	(86)	(86)
Inspire	WEFO	To assist young people who are at risk of becoming NEET, supporting individuals to gain qualifications and skills.	0	(359)
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	(320)
Gov Tech Grant	Department for Science, Innovation & Technology	To support solving public sector problems using innovative digital technology.	0	(126)
Other Grants	Various	Various Outcomes.	(4)	(813)
Total:			(175)	(1,830)

In 2022/2023 the Authority received grant funding from Welsh Government in relation to the Covid-19 pandemic. The following table summarises the purpose of each grant and the amount received or due.

Welsh Government Funding	2023/2024	2022/2023
	£000	£000
Administration Costs	0	242
<i>Financial support to provide capacity in delivering Welsh Government support packages.</i>		
Free School Meals	0	664
<i>Financial support Free school meal eligible pupils during school holidays.</i>		
Total	0	906

Grants due from Welsh Government were credited to the appropriate service line in the Comprehensive Income & Expenditure Statement.

Welsh Government Covid-19 Related Funding Applied to the Comprehensive Income & Expenditure Statement	2023/2024	2022/2023
	£000	£000
Corporate Services	0	(142)
Education	0	(764)
Net Expenditure on Continuing Operations	0	(906)

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 2023/2024 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 Members

Related Party Disclosures for Members relate to all Councillors for the 2023/2024 financial year. For each related party, transactions reported are for the full 2023/2024 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 2024				Year Ended 31 March 2023 <i>(Restated)</i>			
		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.	139,049	(9,663)	45,474	(115)	222,035	(16,125)	8,000	0
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.	1,979	0	(10)	0	0	0	0	0
Brynmawr Market Hall Cinema: A Member of the Council is a Trustee of this organisation.	Cinema screenings, Kickstart Scheme.	15,250	(4,459)	435	(4,168)	3,686	(5,853)	0	(8,441)
Hodge Municipal Services: A Member of the Council is the proprietor of this business.	Maintenance of public toilets in Brynmawr and other supplies.	4,125	0	0	(385)	4,315	0	0	(186)
JP Print & Signs: A member of the Council is the proprietor of this business.	Printing such as Leaflets, Posters & Flyers and Work Placement.	11,203	0	3,136	0	12,595	0	630	0
Phoenix DA Services: A Member of the Council is a Trustee of this organisation.	Youth Respect Project, training, assessments and refuse income.	45,330	(26)	450	0	47,047	(26)	400	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.	5,407	(1,969)	0	(1,930)	6,687	(2,002)	2,004	(1,373)
Total:		222,343	(16,117)	49,485	(6,598)	296,365	(24,006)	11,034	(10,000)

Comparative amounts have been included in the table relevant to transactions and balances in the 2023/2024 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 2022/2023 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 2024		Year Ended 31 March 2023 (Restated)		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.	346	0	57	0	
Brynmawr Museum	A Member of the Council is a Director of the organisation.	5,338	(287)	1,362	(269)	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.	200	0	485	0	
Chillax	A Member of the Council is a Trustee of this organisation.	450	0	382	0	
Circle of Beauty	A Member of the Council is joint proprietor of the business.	4,000	0	0	0	Gift cards for carers and young people.
Ebenezer Baptist Church	A Member of the Council is a Trustee of this organisation.	862	0	14,012	0	
Ebbw Vale Childrens Contact Centre	A Member of the Council is a Trustee of this organisation.	150	0	200	0	
Ebbw Valley Brass	A Member of the Council is a Trustee of this organisation.	200	(192)	750	(180)	
Hermon Cemetery Trust	A Member of the Council is a Trustee of this organisation.	1,140	0	912	0	
Highfield Properties (Tredegar)	A Member of the Council is a Director of the organisation.	12,501	0	12,049	0	Tenants' Rent Allowances and Council Tax refund.
Sirhowy Community Centre	A Member of the Council is a Director of the organisation.	2,396	0	14,326	0	Grants.
Tryfan Group	A Member of the Council is a Director of the organisation.	4,245	0	0	0	Business Grant.
Total:		31,828	(479)	44,535	(449)	

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

	Year Ended 31 March 2024				Year Ended 31 March 2023 (<i>Restated</i>)			
	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)	222,343	(16,117)	49,485	(6,598)	296,365	(24,006)	11,034	(10,000)
Related Parties (with no year end balances)	31,828	(479)	0	0	44,535	(449)	0	0
Total:	254,171	(16,596)	49,485	(6,598)	340,900	(24,455)	11,034	(10,000)

22.3 Silent Valley Waste Services Limited

The Authority was the sole shareholder of the waste disposal company Silent Valley Waste Services Limited (SVWS Ltd.). Two of the Authority's Elected Members were non-executive directors of the company. To the 7th June 2022, these Members received a 'senior salary' allowance, as the responsibility involved was assessed to be of an equivalent level to a committee/scrutiny Chair. New directors appointed with effect from 7th June 2022 received no remuneration.

The Authority's former Chief Executive was a director for the full year (2022/2023). At 31 March 2023, the Authority effectively held 67% of the board membership. The operations, assets and liabilities of the Company transferred to Blaenau Gwent CBC on 1 May 2023. The following related party transactions took place with SVWS Ltd. during the year:

	Year Ended 31 March 2024				Year Ended 31 March 2023			
	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
	£	£	£	£	£	£	£	£
Related Party Transactions								
Silent Valley Waste Services Ltd.:								
Collection of waste; management of civic amenity sites; haulage charges:								
Payments relating to current year	136,040	0	0	0	1,496,526	0	131,764	0
Payments relating to previous year	131,764	0	0	0	99,057	0	0	0
Other	10,805	0	0	0	15,646	0	0	0
Reimbursement of payments made to directors of SVWS Ltd.:								
Payments in respect of Nominated Representatives	0	(1,668)	0	0	0	(3,335)	0	(1,668)
Leachate	0	0	0	0	0	(110,000)	0	0
Dividends and Transfers	0	(3,333,530)	0	0	0	0	0	0
Total (Silent Valley Waste Services Ltd.):	278,609	(3,335,198)	0	0	1,611,229	(113,335)	131,764	(1,668)

22.4 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 2023/2024, the portion of this fee related to the Bedwellty House and Park Charity was £104,400 (2022/2023: £104,400).

22.5 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 2023/2024 total summarised transactions of the Service were as follows:

Education Achievement Service	2023/2024 £000	2022/2023 £000
Expenditure	7,569	6,812
Income	(7,672)	(6,960)
Net Expenditure	(103)	(148)

Related party transactions between the Authority and the EAS were:

Related Party Transactions	Year Ended 31 March 2024				Year Ended 31 March 2023			
	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	315,042	0	0	0	350,046	0	0	(7,001)
Reimbursement of Clerks to Governors Fees	0	(7,838)	0	0	0	(11,847)	0	0
Total (Education Achievement Service):	315,042	(7,838)	0	0	350,046	(11,847)	0	(7,001)

22.6 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 2024				Year Ended 31 March 2023			
	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	56,271	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	56,271	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	2023/2024 £000	2022/2023 £000
(Surplus)/Deficit arising on the revaluation of non-current assets	(16,887)	(20,003)
Remeasurement of the net defined benefit pension liability	28,360	(237,700)
Other Comprehensive Income & Expenditure	11,473	(257,703)

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 2023/2024:

	2023/2024			2022/2023		
	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	2,444	0	(2,444)	3,134	0	(3,134)
Transfer of cash sale proceeds credited as part of the loss on disposal to the Comprehensive Income & Expenditure Statement	494	(494)	0	457	(457)	0
Contribution from the Capital Receipts Reserve towards funding of prudential borrowing schemes	(74)	74	0	(70)	70	0
Total: Transactions between Funds & Usable Reserves:	2,864	(420)	(2,444)	3,521	(387)	(3,134)

	2023/2024		2022/2023	
	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	145	(145)	105	(105)
Adjustments to/from the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income & Expenditure Statement	(15,566)	15,566	(34,808)	34,808
Employer's pensions contributions and direct payments to pensioners payable in the year	17,933	(17,933)	15,771	(15,771)

	2023/2024		2022/2023	
	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	(11,990)	11,990	(10,334)	10,334
Impairment of non-current assets	(235)	235	(1,872)	1,872
Revaluation gains on Property, Plant & Equipment	2,911	(2,911)	13,217	(13,217)
Capital grants & contributions applied	38,335	(38,335)	12,210	(12,210)
Revenue expenditure funded from capital under statute	(7,116)	7,116	(4,513)	4,513
Write Out of Infrastructure Loan Discount	97	(97)	(950)	950
Amounts of non-current assets written off on disposal or sale as part of the gain on disposal to the Comprehensive Income & Expenditure Statement	(63,132)	63,132	99	(99)
Adjustments to/from Deferred Capital Receipts Account:				
Transfer of New Deferred Capital Receipts to Reserve	21,560	(21,560)	0	0
Items not debited or credited to the Comprehensive Income & Expenditure Statement:				
Statutory provision for the financing of capital investment	1,807	(1,807)	1,744	(1,744)
Capital expenditure charged against the Council Fund	182	(182)	468	(468)
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	(56)	56	704	(704)
Total: Transactions between Funds & Unusable Reserves:	(15,125)	15,125	(8,159)	8,159

	2023/2024			2022/2023		
	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						
<i>Transactions involving Other Capital Reserves:</i>						
Adjustments to/from the Deferred Capital Receipts Reserve:						
Transfer from Deferred Capital Receipts Reserve upon receipt of cash	(144)	0	144	(140)	0	140
Items involving Usable Capital Reserves:						
Application of grants to capital financing transferred to the Capital Adjustment Account	0	2,662	(2,662)	0	29,662	(29,662)
Use of the Capital Receipts Reserve to finance new capital expenditure	232	0	(232)	123	0	(123)
City Deal: Transfer to Capital Receipts on Repayment of Loans Made	(165)	0	165	0	0	0
<i>Total: Other Capital Reserve Transactions:</i>	(77)	2,662	(2,585)	(17)	29,662	(29,645)

	2023/2024				2022/2023			
	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:	2,864	(420)	(2,444)	0	3,521	(387)	(3,134)	0
Total: Transactions involving Unusable Reserves:	(15,125)	0	0	15,125	(8,159)	0	0	8,159
Total: Other Capital Reserve Transactions:	0	(77)	2,662	(2,585)	0	(17)	29,662	(29,645)
Total Adjustments:	(12,261)	(497)	218	12,540	(4,638)	(404)	26,528	(21,486)

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 2024	31 March 2023
	£000	£000
Infrastructure Assets	88,508	89,958
Other PPE Assets	267,897	265,823
Net Book Value	356,405	355,781

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	2023/2024	2022/2023
	£000	£000
Net Book Value at 1 April	89,958	92,312
Additions	2,111	1,178
Capital expenditure written off	0	(71)
Other movements in cost or valuation	0	71
Depreciation Charge & Appropriations	(3,561)	(3,532)
Net Book Value at 31 March	88,508	89,958

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 2024	31 March 2023
	£000	£000
Gross Carrying Amount	286,344	281,246
Accumulated Depreciation	(18,447)	(15,423)
Net Book Value	267,897	265,823

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 2023/2024:

Property, Plant & Equipment (Excluding Infrastructure)						Total Property, Plant & Equipment
	Other Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	£000
Cost or Valuation as at 1 April 2023	206,692	20,409	106	2,770	51,269	281,246
Adjustment to Balances Brought Forward	0	0	0	3,176	0	3,176
Revised 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						Total Property, Plant & Equipment
	Other Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £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)

Movements in 2022/2023:

	Other Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property, Plant & Equipment £000
Property, Plant & Equipment (Excluding Infrastructure)						
Cost or Valuation as at 1 April 2022	178,672	18,429	106	3,061	14,414	214,682
Appropriations	666	0	0	(190)	(476)	0
Assets reclassified to/from held for sale	(140)	0	0	(80)	0	(220)
Additions	0	1,980	0	0	37,331	39,311
Revaluation increases/(decreases) recognised in the Revaluation Reserve	17,258	0	0	(138)	0	17,120
Revaluation increases/(decreases) recognised in the Provision of Services	9,173	0	0	117	0	9,290
Capital expenditure written off	(5,355)	(612)	0	0	0	(5,967)
Derecognition - disposals	0	0	0	0	0	0
Other movements in cost or valuation	6,418	612	0	0	0	7,030
Cost or Valuation as at 31 March 2023	206,692	20,409	106	2,770	51,269	281,246

	Other Land and Buildings £000	Vehicles, Plant and Equipment £000	Community Assets £000	Surplus Assets £000	Assets Under Construction £000	Total Property, Plant & Equipment £000
Property, Plant & Equipment (Excluding Infrastructure): Depreciation & Impairment						
Accumulated Depreciation & Impairment as at 1 April 2022	(3,915)	(11,139)	(14)	(15)	0	(15,083)
Depreciation Charge & Appropriations	(5,483)	(1,332)	0	12	0	(6,803)
Depreciation written out to the Revaluation Reserve	2,883	0	0	0	0	2,883
Depreciation written out to the Surplus/Deficit on the Provision of Services	3,580	0	0	0	0	3,580
Derecognition - disposals	0	0	0	0	0	0
Accumulated Depreciation & Impairment as at 31 March 2023	(2,935)	(12,471)	(14)	(3)	0	(15,423)

25.4 Fair Value Measurement of Surplus 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 2024			31 March 2023		
	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)	8,582	0	8,582	2,767	0	2,767
Fair Value	8,582	0	8,582	2,767	0	2,767

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 has been 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 2023/2024, 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 2024.

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	2023/2024			2022/2023		
	Surplus Assets £000	Assets Held For Sale £000	Total £000	Surplus Assets £000	Assets Held For Sale £000	Total £000
Balance at 1 April:	2,767	0	2,767	3,046	60	3,106
Adjustment to Balances Brought Forward	3,176	0	3,176			
Revised Balance at 1 April	5,943	0	5,943			
Appropriations (to)/from Property, Plant & Equipment Operational Assets	125	0	125	(177)	140	(37)
Appropriations (to)/from Assets Held for Sale	0	0	0	(80)	0	(80)
Appropriations (to)/from Surplus Assets	0	10	10	0	80	80
Total Gains/(Losses) for the period included in the Surplus or Deficit on the Provision of Services, resulting from changes in the fair value	773	0	773	117	0	117
Total Gains/(Losses) for the period on unwinding of discount, included as finance costs in the Comprehensive Income and Expenditure Statement	171	0	171	0	0	0
Total Gains/(Losses) for the period included in the Revaluation Reserve resulting from changes in the fair value	1,571	0	1,571	(138)	0	(138)
Disposals	0	(10)	(10)	0	(280)	(280)
In-Year Depreciation	(1)	0	(1)	(1)	0	(1)
Balance at 31 March:	8,582	0	8,582	2,767	0	2,767

†: The balance of Surplus Assets brought forward at 1 April 2024 has been adjusted by £3.176m to include recognition of the decommissioning asset held for the Silent Valley Waste Site.

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.

25.5 Capital Commitments

Within the Authority's 2023/2024 capital programme, £20.962m relates to schemes that were contractually committed as at 31 March 2024 (£56.733m contractually committed as at 31 March 2023):

	Commitment Value 2023/2024 £000	Estimated Timescale for Completion No of Years	Commitment Value 2022/2023 £000	Estimated Timescale for Completion No of Years
Capital Commitments				
Welsh Medium School Provision - Tredegar	10,493	2	225	2
Glyncoed Primary School and Child Care Facility	4,539	2	10,754	2
HiVE - Hi Value Engineering Centre	3,838	1	0	0
Trinity Chapel Refurbishment	958	1	0	0
Ebbw Vale Rail Infrastructure Project	606	1	37,326	2
Regain 2 †	315	1	3,999	1
Abertillery Rail Spur	0	0	1,499	1
LTF Metro Plus	0	0	1,410	1
Highways Improvement Works	0	0	570	1
Innovation for Decarbonisation - WBRID	0	0	159	1
Lime Avenue Development	0	0	140	1
Other*	213	1	651	1
Total	20,962		56,733	

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.*

25.6 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 2024 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 2023/2024) amounted to £107.344m.

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 2023/2024 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 2024.

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 £1.111 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 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
31 March 2020	79,326	0	532	79,858

25.7 Capital Expenditure and Financing

Of the £60.157m capital investment made in 2023/2024, £23.415m was financed in-year through government grants, revenue contributions, and the application of capital receipts. The remaining £36.742m capital financing requirement has been funded through borrowing and finance leases, as indicated below:

Capital Expenditure & Financing	2023/2024 £000	2022/2023 £000
Capital Investment: Property, Plant & Equipment	53,041	43,077
REFCUS	7,116	4,513
	60,157	47,590
Sources of Finance:		
Revenue Provision	(183)	(468)
Capital Receipts	(93)	(123)
Government Grants & Other Contributions	(23,139)	(41,043)
	(23,415)	(41,634)
Increase in capital financing requirement:	36,742	5,956
Explanation of in-year movements:		
Borrowing Supported by Government Financial Assistance	1,413	1,759
Borrowing Unsupported by Government Financial Assistance	35,329	3,868
Finance Leases	0	329
Total Borrowing:	36,742	5,956

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> '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.	379
<i>Ebbw Vale War Memorial</i> Unveiled September 24th 1924 by Sir Frederick Mills. Listed as an unusually elaborate war memorial, in a prominent setting.	225
<i>Civic Regalia</i> Comprising the Mayoral Chain, Mayoress Chain and Civic Mace.	122
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. Leases

27.1 Authority as Lessee - Finance Leases

The Council has acquired a number of assets under finance leases, the net value of which total £0.334m (2022/2023: £0.439m). The assets acquired under these leases are carried as Property, Plant and Equipment in the Balance Sheet. The Authority is committed to making minimum payments under these leases comprising settlement of the non-current liability for the asset acquired by the Authority and finance costs that will be payable by the Authority in future years while the liability remains outstanding. The minimum lease payments required over a period of not more than 5 years total £0.552m (2022/2023: £0.673m).

27.2 Authority as Lessee - Operating Leases

The Authority has acquired various vehicles and equipment by entering into operating leases, with typical lives of 5 years. The minimum lease payments at 31 March 2024 due under non-cancellable leases in future years are:

Operating Lease Minimum Payments	31 March 2024		31 March 2023	
	Vehicles, plant & equipment	Other land & buildings	Vehicles, plant & equipment	Other land & buildings
	£000	£000	£000	£000
Not later than one year	65	218	30	218
Later than 1 year and not later than 5 years	155	80	44	278
Later than 5 years	0	800	0	820
Total Minimum Lease Payments	220	1,098	74	1,316

Charges to service revenue accounts in the Comprehensive Income and Expenditure Statement during the year in relation to these leases totalled £0.330m (2022/2023: £0.380m).

No balances are held on the Balance Sheet in relation to Operating Leases

27.3 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 2024		31 March 2023	
	Vehicles, plant & equipment	Other land & buildings	Vehicles, plant & equipment	Other land & buildings
	£000	£000	£000	£000
Current	71	78	70	74
Non-Current	218	2,562	289	2,640
Unguaranteed Residual Value of Property	0	(450)	0	(450)
Total	289	2,190	359	2,264

Finance Leases - Lessor	Gross Investment in Lease			
	31 March 2024		31 March 2023	
	Vehicles, plant & equipment	Other land & buildings	Vehicles, plant & equipment	Other land & buildings
	£000	£000	£000	£000
Not later than one year	71	78	70	74
Later than 1 year and not later than 5 years	218	355	289	338
Later than 5 years	0	1,757	0	1,852
Total	289	2,190	359	2,264

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

	Minimum Lease Payments			
	31 March 2024		31 March 2023	
	Vehicles, plant & equipment £000	Other land & buildings £000	Vehicles, plant & equipment £000	Other land & buildings £000
Finance Leases - Lessor				
Not later than one year	74	216	74	216
Later than 1 year and not later than 5 years	223	865	297	865
Later than 5 years	0	3,788	0	4,004
Total	297	4,869	371	5,085

27.4 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 £2.391m (2022/2023: £3.038m).

	31 March 2024	31 March 2023
Operating Lease Minimum Payments Receivable	Other land & buildings £000	Other land & buildings £000
Not later than one year	636	793
Later than 1 year and not later than 5 years	1,261	1,505
Later than 5 years	494	740
Total Minimum Lease Payments Receivable	2,391	3,038

28. Non-Current Investments

Non-current investments consist of the Authority's proportion of the equity shareholding made by the Cardiff Capital Region City Deal in Pharmatelligence Ltd.. The value of these shareholdings included in the Authority's Balance Sheet at 31 March 2024 was £1.018m (31 March 2023: £0.657m).

28.1 City Deal - Investment in Pharmatelligence Ltd.

The Cardiff Capital Region City Deal (CCRCD) holds a £20million equity investment in Pharmatelligence, a healthcare data consultancy providing expert, independent, real-world evidence for healthcare services and the pharmaceutical industry. The investment represented a stake in the company of approximately 22.86%. Other investments held by CCRCD include a 21.68% shareholding of a digital manufacturing business; a 6.23% shareholding in a FinTech business and a 9.99% shareholding in a Bio Tech business. Blaenau Gwent's proportion, equating to £946,228, has been included on the Balance Sheet at cost.

29. Non-Current Debtors

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

	31 March 2024				31 March 2023			
	Gross Debtors £000	Impairment £000	Prepayments £000	Total Net Non-Current Debtors £000	Gross Debtors £000	Impairment £000	Prepayments £000	Total Net Non-Current Debtors £000
Local Authorities	2,562	0	0	2,562	2,640	0	0	2,640
Transport for Wales Rail	22,657	(2,497)	0	20,160	0	0	0	0
Other Entities & Individuals	2,274	(259)	16	2,031	1,392	(142)	99	1,349
Total	27,493	(2,756)	16	24,753	4,032	(142)	99	3,989

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.

	31 March 2024			31 March 2023		
	Gross Debtor £000	Impairment £000	Net Debtor £000	Gross Debtor £000	Impairment £000	Net Debtor £000
Impairment of Non-Current Debtors						
Land & Property Charges	361	(259)	102	187	(142)	45
Transport for Wales Rail	22,657	(2,497)	20,160	0	0	0
Total	23,018	(2,756)	20,262	187	(142)	45

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 2024				31 March 2023			
	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	108,015	0	4,403	112,418	104,157	0	4,483	108,640

The net valuation of school non-current assets increased by £3.778m during 2023/2024 as a result of 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 2024				31 March 2023			
	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	19
Middle 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	2023/2024				2022/2023			
	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	1,129	195	0	1,324	870	108	0	978
Middle Schools	1,261	0	0	1,261	189	0	0	189
Secondary Schools	286	0	351	637	(19)	0	309	290
Special Schools	394	0	0	394	(49)	0	0	(49)
Total In-Year (Surplus)/Deficit	3,070	195	351	3,616	991	108	309	1,408

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

School Balances	31 March 2024				31 March 2023			
	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	(1,306)	(363)	0	(1,669)	(2,435)	(558)	0	(2,993)
Middle Schools	598	0	0	598	(663)	0	0	(663)
Secondary Schools	(86)	0	48	(38)	(372)	0	(303)	(675)
Special Schools	(95)	0	0	(95)	(489)	0	0	(489)
Total	(889)	(363)	48	(1,204)	(3,959)	(558)	(303)	(4,820)

31. Current Investments

At 31 March 2024, the Authority had placed £0.031m of investments with other local authorities that were not due to be repaid within 90 days (2022/2023: £12.065m). These have therefore been classified as current investments. All other investments due for repayment within 90 days amounting to £22.5m (2022/2023: £54.0m) are shown within cash and cash equivalents.

32. Inventories

The Authority held stock balances valued at £0.395m at 31 March 2024, largely comprised of General Stock Items and Personal Protective Equipment:

Inventories	Balance at 1 April 2022 £000	Donations & Purchases £000	Recognised as an expense in the year £000	Written Off £000	Balance at 31 March 2023 £000	Donations & Purchases £000	Recognised as an expense in the year £000	Written Off £000	Balance at 31 March 2024 £000
General Stock	313	1,167	(1,091)	0	389	1,096	(1,055)	(108)	322
Donated Stock: Lateral Flow Tests	1,310	0	(337)	(554)	419	0	0	(419)	0
Donated Stock: Personal Protective Equipment	802	54	(660)	0	196	86	(138)	(71)	73
Total	2,425	1,221	(2,088)	(554)	1,004	1,182	(1,193)	(598)	395

33. Current Debtors

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

Current Debtors	31 March 2024				31 March 2023			
	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	13,981	(3)	0	13,978	23,727	0	0	23,727
Transport for Wales Rail	1,400	0	0	1,400	0	0	0	0
Other Central Government	6,246	0	0	6,246	3,717	0	0	3,717
Local Authorities	2,799	(110)	0	2,689	3,384	(97)	0	3,287
NHS	3,028	(266)	0	2,762	2,002	(58)	0	1,944
Council Tax Arrears	8,517	(3,659)	0	4,858	8,184	(3,368)	0	4,816
Other Entities and Individuals	5,421	(1,681)	335	4,075	5,593	(1,611)	453	4,435
Trade	1,656	(517)	143	1,282	654	(369)	65	350
Total	43,048	(6,236)	478	37,290	47,261	(5,503)	518	42,276

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.

	31 March 2024			31 March 2023		
	Gross Debtor £000	Impairment £000	Net Debtor £000	Gross Debtor £000	Impairment £000	Net Debtor £000
Impairment of Current Debtors						
<i>Impairment of Debtors within the scope of IFRS 9:</i>						
Land & Property Charges	286	(205)	81	288	(219)	69
Trade Debtors	1,043	(518)	525	373	(369)	4
Debtors related to Sales, Fees & charges	1,155	(541)	614	1,084	(488)	596
<i>Impairment of Debtors outside of the scope of IFRS 9:</i>						
Council Tax	8,517	(3,659)	4,858	8,184	(3,368)	4,816
Housing Benefits	1,008	(479)	529	1,168	(500)	668
Public Sector Bodies	3,321	(379)	2,942	2,857	(155)	2,702
Other Debtors	663	(455)	208	468	(404)	64
Total	15,993	(6,236)	9,757	14,422	(5,503)	8,919

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.

Impact of Covid-19

Where impairment has been calculated using a probability matrix, the assessment of the possibility of debtor default has been assumed to be higher than in 2019/2020 as a result of Covid-19 related impacts on individuals and businesses. This has increased the level of impairment included in the accounts.

Impairment of Debtors Outside of the Scope of IFRS9	31 March 2024						31 March 2023					
	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	2,523	69	614	183	3,389	(352)	2,657	145	614	128	3,544	(254)
General Arrears > 1 year <5 years old	4,619	409	426	257	5,711	(2,836)	4,519	523	178	187	5,407	(2,715)
General Arrears > 5 years old	985	530	9	230	1,754	(1,534)	851	500	3	170	1,524	(1,325)
Absconders	111	0	0	0	111	(111)	61	0	0	0	61	(61)
Bankruptcy/Liquidation/Insolvency	97	0	0	0	97	(96)	58	0	0	0	58	(58)
Other	30	0	0	13	43	(43)	7	0	0	7	14	(14)
Arrears not impaired	152	0	2,272	(20)	2,404	0	31	0	2,062	(24)	2,069	0
Total	8,517	1,008	3,321	663	13,509	(4,972)	8,184	1,168	2,857	468	12,677	(4,427)

34. Current Creditors

Amounts owed by the Authority were as follows:

Current Creditors	31 March 2024			31 March 2023		
	Creditors	Receipts in Advance	Total Current Creditors	Creditors	Receipts in Advance	Total Current Creditors
	£000	£000	£000	£000	£000	£000
Welsh Government	(4,053)	(1)	(4,054)	(2,877)	0	(2,877)
Other Central Government	(591)	(5)	(596)	(692)	(8)	(700)
Local Authorities	(1,159)	(33)	(1,192)	(955)	(98)	(1,053)
NHS	(387)	0	(387)	(270)	0	(270)
Capital Creditors	(3,548)	0	(3,548)	(2,434)	0	(2,434)
Council Tax Credits	(1,172)	0	(1,172)	(1,135)	0	(1,135)
Other Entities and Individuals	(8,229)	(345)	(8,574)	(8,846)	(355)	(9,201)
Trade	(2,637)	0	(2,637)	(2,692)	0	(2,692)
Total	(21,776)	(384)	(22,160)	(19,901)	(461)	(20,362)

35. Provisions, Contingent Liabilities and Contingent Assets

35.1 Provisions - Purpose

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' or 'Other', is as follows:

Employee-Related Provisions:

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 2024/2025.	The provision for early terminations comprises the known value of redundancy payments occurring after 31 March 2024 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 2024/2025 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.

Other Provisions:

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 2024/2025 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: 2023/2024.	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.
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.

35.2 Provisions - Movements

Movements in employee-related and other provisions during 2023/2024 were as follows:

Provision Movements	Balance at 31 March 2023 £000	Balance at 1 April 2023 (Restated) £000	Amounts Used £000	Unused Amounts Reversed £000	Unwinding of Discount £000	Additional Provisions Made £000	Reclassification of Provision £000	Balance at 31 March 2024 £000
Current Provisions:								
<i>Employee Provisions:</i>								
Equal Pay	0	0	0	0	0	(204)	0	(204)
Early Terminations	(2)	(2)	2	0	0	(28)	0	(28)
<i>Total Employee Current Provisions:</i>	(2)	(2)	2	0	0	(232)	0	(232)
<i>Other Provisions:</i>								
Insurance	(1,104)	(1,104)	115	788	0	(321)	0	(522)
Lease Dilapidation - 20 Church Street	(2)	(2)	0	0	0	0	0	(2)
Silent Valley Aftercare	0	0	0	0	0	(41)	0	(41)
Silent Valley Leachate	0	(217)*	217	0	0	0	(139)	(139)
<i>Total Other Current Provisions:</i>	(1,106)	(1,323)	332	788	0	(362)	(139)	(704)
Total Current Provisions:	(1,108)	(1,325)	334	788	0	(594)	(139)	(936)
Non-Current Provisions:								
<i>Employee Provisions:</i>								
Equal Pay	0	0	0	0	0	(1,390)	0	(1,390)
<i>Total Employee Non-Current Provisions:</i>	0	0	0	0	0	(1,390)	0	(1,390)
<i>Other Provisions:</i>								
Insurance	(1,401)	(1,401)	118	870	0	(271)	0	(684)
Lease Dilapidation - Anvil Court	(242)	(242)	0	0	0	(8)	0	(250)
Lease Dilapidation - Ebbw Vale Multi Storey Car Park	(419)	(419)	0	0	0	0	0	(419)
Silent Valley Aftercare	0	0	0	0	0	(1,689)	0	(1,689)
Silent Valley Leachate	0	(2,959)*	0	0	(171)	0	139	(2,991)
<i>Total Other Non-Current Provisions:</i>	(2,062)	(5,021)	118	870	(171)	(1,968)	139	(6,033)
Total Non-Current Provisions:	(2,062)	(5,021)	118	870	(171)	(3,358)	139	(7,423)
Total Provisions:	(3,170)	(6,346)	452	1,658	(171)	(3,952)	0	(8,359)

Provision balances have been restated at 1 April 2023 to recognise the Council's estimated future liabilities in respect of Leachate management at the Silent Valley Waste Site.

35.3 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 2024	31 March 2023
	£000	£000
Lime Avenue JVA Capital Grants Receipts in Advance	(9,036)	(4,492)
Cardiff Capital Region City Deal Non-Current Creditor	(3,169)	(2,148)
Deferred Liabilities	(453)	(593)
Net Pensions Liability	(100,988)	(74,858)
Total	(113,646)	(82,091)

- The Lime Avenue Joint Venture Agreement requires the Authority 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. This liability has currently been valued as the cumulative total grant funding received from Welsh Government at the end of each financial year, classified as a grant received in advance.
- 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 2024		31 March 2023	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		£000	£000	£000	£000
Public Works Loan Board	2	(67,999)	(64,392)	(70,712)	(69,353)
Lenders Option Borrowers Option	2	0	0	(4,043)	(3,873)
Market Loans	2	(12,000)	(11,645)	(18,000)	(17,427)
Temporary Loans	n/a	(38,450)	(38,452)	(48,368)	(48,365)
Rail Infrastructure Loan	n/a	(24,057)	(6,194)	(41,202)	(7,822)
Town Centre Loan	n/a	(1,975)	(1,434)	(1,932)	(1,431)
Salix Loan	n/a	(2,984)	(2,462)	(3,382)	(2,767)
Transforming Towns Loan	n/a	(2,481)	(2,354)	(2,386)	(2,324)
Total		(149,946)	(126,933)	(190,025)	(153,362)

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 Lender's Option Borrower's Option (LOBO), where the interest rate payable is lower than the rates available for similar loans at the Balance Sheet date. The 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:

	31 March 2024			31 March 2023		
	Non-Current £000	Current £000	Total £000	Non-Current £000	Current £000	Total £000
Financial Instruments						
Financial Liabilities						
Financial liabilities at amortised cost	(95,647)	(54,299)	(149,946)	(132,498)	(57,527)	(190,025)
Total Borrowings	(95,647)	(54,299)	(149,946)	(132,498)	(57,527)	(190,025)
Financial Assets						
Long term investments - Equity	1,018	0	1,018	658	0	658
Total Investments	1,018	0	1,018	658	0	658

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:

	2023/2024			2022/2023		
	Financial Liabilities measured at amortised cost £000	Financial Assets: Loans & Receivables £000	Total 2023/2024 £000	Financial Liabilities measured at amortised cost £000	Financial Assets: Loans & Receivables £000	Total 2022/2023 £000
Financial Instrument Gains/Losses						
Interest payable and similar charges:						
Interest expense	4,651	0	4,651	4,708	0	4,708
Interest and investment income:						
Interest income	0	(2,507)	(2,507)	0	(1,789)	(1,789)
Net (gain)/loss for the year:	4,651	(2,507)	2,144	4,708	(1,789)	2,919

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 2024, 52 car loans were outstanding with a total value of £0.367m (31 March 2023: 54 loans with a value of £0.266m).

During 2020/2021 a single in-arrears payroll was implemented for all staff. To assist with cashflow issues caused by this change, interest-free bridging loans were offered. £0.460m was advanced, which has been fully repaid by 31 March 2024 (31 March 2022: £0.457m). For 2022/2023, as the difference between fair value and carrying amount was considered to be immaterial, the outstanding balance of £0.003m was included in the Balance Sheet at cost.

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 none had been repaid to 31 March 2024. As the difference between fair value and carrying amount is considered to be immaterial, the outstanding balance of £0.016m 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

The economic impact of the Covid-19 pandemic, Ukrainian war and Cost of Living Crisis continue to present challenges to the financial services industry and its institutions. 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 30 March 2023 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 2023/2024 was approved by Council on 30 March 2023.

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 2024		31 March 2023	
	£000	%	£000	%
Source of Loan				
Public Works Loan Board	(68,383)	34.57	(71,147)	32.22
Lenders Option Borrowers Option	0	0.00	(4,000)	1.81
Market Loans	(12,000)	6.07	(18,000)	8.15
Temporary Loans	(38,450)	19.44	(48,365)	21.90
Rail Infrastructure Loan	(70,000)	35.39	(70,000)	31.69
Town Centre Loan	(2,570)	1.30	(2,570)	1.16
Transforming Towns Loan	(3,400)	1.72	(3,400)	1.54
Salix Loan	(2,984)	1.51	(3,382)	1.53
Total:	(197,787)	100.00	(220,864)	100.00

The maturity analysis of financial liabilities is as follows:

Maturity of Loan	31 March 2024		31 March 2023	
	£000	%	£000	%
Maturing in less than 1 year	(54,299)	27.45	(57,527)	26.05
Maturing in 1-2 years	(15,675)	7.93	(15,849)	7.18
Maturing in 2-5 years	(21,240)	10.74	(35,117)	15.90
Maturing in 5-10 years	(24,949)	12.61	(25,347)	11.48
Maturing in more than 10 years	(81,624)	41.27	(87,024)	39.39
Total:	(197,787)	100.00	(220,864)	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, 100% 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	2023/2024 £000	2022/2023 £000
Increase in interest payable on current variable rate borrowings	333	594
Increase in interest receivable on current variable rate investments	(381)	(939)
Increase in interest payable on non-current variable rate borrowings	0	40
Net impact upon Comprehensive Income & Expenditure Statement:	(48)	(305)

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 £946,229, 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)

The Teachers' Pension Scheme is an unfunded scheme, in which pension benefit payments from the scheme are funded by current employee and employer contributions. The difference between these contributions and scheme expenditure are financed by the Exchequer. As an indication of the scale of the fund and the sums involved, the net cash requirement for 2023/2024 was £2.05bn and total net scheme liabilities amounted to £278.8bn.

Employer contributions are set by the Secretary of State, on the advice of the fund actuary. Following the recommendations of Lord Hutton on public sector pensions, a valuation as at 31 March 2012 was undertaken by the Government Actuary's Department in line with the revised valuation directions determined by HM Treasury. As a result of this valuation, the standard contribution rate (SCR) was assessed at 20.4% and the supplementary contribution rate (which funds the accumulated shortfall of liabilities within a period of up to 15 years) was set at 5.6% (a total contribution rate of 26.0%). The actuarial valuation based on scheme data for the period ending 31 March 2016 had been progressing and was expected to be implemented in 2019, with subsequent valuations to be undertaken on a four-yearly basis. However, the actuarial valuation was suspended following the Court of Appeal ruling against the government in respect of changes to the judges and firefighters pension schemes.

The employers rate increased to 23.6% from September 2019, with no change to the average employee contribution of 9.5%. Further to the publication in October 2023 of the Scheme Valuation as at 31 March 2020 the employers contribution rate will increase from 23.6% to 28.6% from 1 April 2024.

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.

The Authority is not required to include entries in its Balance Sheet relating to assets and liabilities for the Teachers' Pensions Scheme, as the liability for payment of these pensions rests ultimately with the Department for Education.

Teachers employed by the Authority are members of the Teachers' Pension Scheme (a defined benefit scheme) administered by Capita Teachers' Pensions. The Authority contributes towards the costs of retirement benefits by making contributions based on a percentage of employees' pensionable salaries.

The TPS is a multi-employer scheme which for 2023/2024 comprised 12,648 contributing employers that administered over 1.43 million active/deferred members and made payments to 764,374 pensioners. Given the complexities involved in administering pension arrangements for this volume of employees, it is not possible to disaggregate the scheme liabilities for each employer. Consequently, there is insufficient information available to account for the TPS as a defined benefit plan and as a result it has been accounted for as a defined contribution scheme.

In 2023/2024, the Authority paid employers contributions of £5.729m to Capita Teachers' Pensions in respect of teachers' pension costs, representing 23.6% of teachers' pensionable pay (2022/2023: £5.257m). At 31 March 2024, £0.479m remained payable to the Teachers' Pension Scheme relating to employers contributions arising in the March payroll (31 March 2023: £0.451m).

The total employers contributions to be made by the Authority to the Teachers' Pension Scheme in the year to 31 March 2025 is estimated at £6.963m.

The Authority made total contributions (employees and employers) to the TPS amounting to £8.043m in 2023/2024, which would have represented approximately 0.08% of the total contributions receivable by the TPS in 2023/2024.

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 11.4% of the total employee and employer contributions receivable by the Fund as disclosed in the most recently available annual accounts (2023/2024).

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 Assistant Chief Executive (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 funds in Wales that since 2017 have collaborated in the Wales Pension Partnership (WPP). Pooling of the eight schemes' assets is undertaken in order to benefit from economies of scale and reduced administrative costs. As host authority, Carmarthenshire County Council is responsible for running the pooled fund. In 2023/2024, 74% of the Constituent Authorities' pension fund assets were pooled.

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:

	2023/2024			2022/2023		
	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000
Pension Scheme Transactions - Comprehensive Income & Expenditure Statement						
Cost of Services:						
Current Service Costs	11,625	0	11,625	26,308	0	26,308
Past Service Costs and Curtailments	249	0	249	158	0	158
Administration Expenses	298	0	298	276	0	276
Total Service Cost:	12,172	0	12,172	26,742	0	26,742
Financing and Investment Income and Expenditure:						
Interest on plan assets	(21,772)	0	(21,772)	(12,565)	0	(12,565)
Interest on defined benefit liabilities	23,993	1,173	25,166	19,775	856	20,631
Net Interest:	2,221	1,173	3,394	7,210	856	8,066
Total Charged to the Surplus/Deficit on Provision of Services:	14,393	1,173	15,566	33,952	856	34,808
Remeasurement of the Net Defined Liability, comprising:						
Return on plan assets (excluding amounts included in Net Interest)	(36,750)	0	(36,750)	21,563	0	21,563
Actuarial (Gains)/Losses arising from changes in demographic assumptions	(3,321)	(213)	(3,534)	(4,579)	(498)	(5,077)
Actuarial (Gains)/Losses arising from changes in financial assumptions	(29,797)	(703)	(30,500)	(269,114)	(6,479)	(275,593)
Experience (Gains)/Losses on defined benefit liabilities	15,743	2,851	18,594	20,375	1,032	21,407
Effect of Asset Ceiling	80,550	0	80,550	0	0	0
Total remeasurements recognised in Other Comprehensive Income & Expenditure:	26,425	1,935	28,360	(231,755)	(5,945)	(237,700)
Total Charged to the Comprehensive Income & Expenditure Statement:	40,818	3,108	43,926	(197,803)	(5,089)	(202,892)

At 31 March 2024, £1.624m remained payable to the LGPS relating to contributions arising in the March payroll (31 March 2023: £1.487m). 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:

	2023/2024			2022/2023		
	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000
Pension Scheme Transactions - Movement in Reserves Statement						
Reversal of net charges for post employment benefits included in <i>'Total Charged to the Surplus/Deficit on Provision of Services'</i>	(14,393)	(1,173)	(15,566)	(33,952)	(856)	(34,808)
Actual Amount Charged Against Council Tax for Pensions in year:						
Employers' Contributions Payable to Scheme	15,883	0	15,883	13,990	0	13,990
Retirement Benefits Payable to Pensioners	0	2,050	2,050	0	1,781	1,781
Total amounts charged against Council Tax:	15,883	2,050	17,933	13,990	1,781	15,771
Net adjustment between accounting basis and funding basis for pension transactions:	1,490	877	2,367	(19,962)	925	(19,037)

Assets and Liabilities in Relation to Post-Employment Benefits

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

	2023/2024			2022/2023		
	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000
Reconciliation of the Movements in Fair Value of Scheme Assets						
Balance at 1 April:	456,819	0	456,819	465,432	0	465,432
Employer Contributions	15,860	2,050	17,910	14,049	1,781	15,830
Member Contributions	3,615	0	3,615	3,497	0	3,497
Benefits Paid	(20,547)	(2,050)	(22,597)	(17,161)	(1,781)	(18,942)
Interest on Plan Assets	21,772	0	21,772	12,565	0	12,565
Effect of Business Combinations	1,582	0	1,582	0	0	0
Remeasurement Gains/(Losses):						
Return on Plan Assets (excluding amounts included in Interest)	36,750	0	36,750	(21,563)	0	(21,563)
Effect of Asset Ceiling	(10,432)	0	(10,432)	0	0	0
Balance at 31 March:	505,419	0	505,419	456,819	0	456,819

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

Reconciliation of the Movements in Present Value of Scheme Liabilities	2023/2024			2022/2023		
	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:	(505,962)	(25,715)	(531,677)	(726,427)	(32,585)	(759,012)
Current Service Cost	(11,625)	0	(11,625)	(26,308)	0	(26,308)
Past Service Cost and Curtailments	(249)	0	(249)	(158)	0	(158)
Administration Expenses	(298)	0	(298)	(276)	0	(276)
Interest Cost	(23,993)	(1,173)	(25,166)	(19,775)	(856)	(20,631)
Member Contributions	(3,729)	0	(3,729)	(3,497)	0	(3,497)
Benefits Paid	20,547	2,050	22,597	17,161	1,781	18,942
Effect of Business Combinations	(1,582)	0	(1,582)	0	0	0
Remeasurement Gains/(Losses):						
Experience Gains/(Losses)	(15,743)	(2,851)	(18,594)	(20,375)	(1,032)	(21,407)
Actuarial Gains/(Losses) arising from changes in demographic assumptions	3,321	213	3,534	4,579	498	5,077
Actuarial Gains/(Losses) arising from changes in financial assumptions	29,797	703	30,500	269,114	6,479	275,593
Effect of Asset Ceiling (Recognition of agreed past service contributions)	(70,118)	0	(70,118)	0	0	0
Balance at 31 March:	(579,634)	(26,773)	(606,407)	(505,962)	(25,715)	(531,677)

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

Pension Assets & Liabilities Recognised in the Balance Sheet	2023/2024			2022/2023		
	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	505,419	0	505,419	456,819	0	456,819
Present Value of Scheme Liabilities	(579,634)	(26,773)	(606,407)	(505,962)	(25,715)	(531,677)
Net Liability:	(74,215)	(26,773)	(100,988)	(49,143)	(25,715)	(74,858)

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 2024				31 March 2023			
	Quoted Prices in Active Markets	Quoted Prices not in Active Markets			Quoted Prices in Active Markets	Quoted Prices not in Active Markets		
			Total				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	373,993	373,993	73.98	0	337,238	337,238	73.82
Bonds	0	60,546	60,546	11.98	0	60,856	60,856	13.32
Other	0	46,168	46,168	9.13	0	47,104	47,104	10.31
Real Estate: UK Property Funds	0	8,358	8,358	1.65	0	9,251	9,251	2.03
Cash and Cash Equivalents:	0	16,468	16,468	3.26	0	2,370	2,370	0.52
Total:	0	505,533	505,533	100.00	0	456,819	456,819	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 2024		31 March 2023	
	Increase in Employer Liabilities		Increase in Employer Liabilities	
	£000	%	£000	%
0.5% decrease in Real Discount Rate	55,881	9.22	46,195	8.69
0.5% increase in the Salary Increase Rate	2,799	0.46	6,730	1.27
0.5% increase in the Pension Increase Rate	54,106	8.92	40,135	7.55
1 year increase in Member Life Expectancy	24,256	4.00	21,267	4.00

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

Sensitivity Analysis	31 March 2024				
		Discount Rate:	Salary Increase:	Pension Increase:	Life Expectancy:
	Base	-0.5% p.a.	+0.5% p.a.	+0.5% p.a.	+1 Year
	£000	£000	£000	£000	£000
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)

	31 March 2023				
		Discount Rate:	Salary Increase:	Pension Increase:	Life Expectancy:
	Base	-0.5% p.a.	+0.5% p.a.	+0.5% p.a.	+1 Year
	£000	£000	£000	£000	£000
Liabilities	(531,677)	(577,872)	(538,407)	(571,812)	(552,944)
Assets	456,819	456,819	456,819	456,819	456,819
Net Deficit	(74,858)	(121,053)	(81,588)	(114,993)	(96,125)

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 an 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 2024 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 2024	31 March 2023
Financial Assumptions:		
Rate of Increase in Salaries	3.3%	3.5%
Rate of Increase in Pensions	2.8%	3.0%
Discount Rate	4.9%	4.8%
Mortality Assumptions:		
Current and Future Pensioners:	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.	CMI 2021 Model, 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a.
Life Expectancy:		
Longevity of current pensioners (aged 65):		
Males	20.1	20.2
Females	22.7	22.9
Longevity of future pensioners (aged 65 in 20 years' time):		
Males	20.8	21.0
Females	24.5	24.7

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 £62.864m at 31 March 2024 (£60.690m at 31 March 2023). The effect of applying the net superannuation fund deficit of £100.988m to the Authority's usable reserves would be a deficit of £38.124m (2022/2023: the superannuation deficit of £74.858m exceeded usable reserves by £14.168m).

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 2025 are estimated by the Fund Actuary as £15.798m.

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 LGPS benefit structure was reformed in 2014, transitional protections were applied to certain older members close to normal retirement age. The benefits accrued from 1 April 2015 by these members are subject to an 'underpin' which means that they cannot be lower than those they would have received under the previous benefit structure. The underpin ensures that these members do not lose out from the introduction of the new scheme, by effectively giving them the better of the benefits from the old and new schemes.

In December 2018 the Court of Appeal upheld a ruling ("McCloud/Sargeant") that similar transitional protections in the Judges' and Firefighters' Pension Schemes were unlawful on the grounds of age discrimination. The implications of the ruling have also applied to the LGPS (and other public service schemes). The UK Government requested leave to appeal to the Supreme Court but this was denied at the end of June 2019.

HM Treasury confirmed in February 2021 that all eligible scheme members would remain as members of the legacy (i.e. final salary) scheme for the remedy period between 1 April 2015 and 31 March 2022. At the point at which members start taking benefits (usually at retirement), they will then be able to opt for either legacy or reformed (i.e. career average) benefits for the remedy period. Eligibility may be limited to members active or within 10 years of normal pension age at 1 April 2012.

LGPS benefits accrued from 2015 may therefore need to be enhanced as all eligible members could benefit from the underpin. The Fund actuary included an increase in liabilities related to the McCloud/Sargeant judgement in the 2019/2020 accounts, based on the Government Actuary's Department (GAD) estimates, adjusted where appropriate to better reflect the Greater Gwent (Torfaen) Pension Fund's local assumptions, particularly salary increases and withdrawal rates. This amounted to £1.227m and was charged to the CIES as Past Service Cost.

If eligibility is limited to members who were active at 31 March 2012, the Actuary advised that the calculated increase in liabilities would reduce by approximately half. No adjustment has been made in the accounts for this potential reduction. The Actuary has advised that no further adjustments have been made to fund liabilities in the accounts as a result of the McCloud/Sargeant ruling.

Potential Liabilities Arising From the Virgin Media-NTL Case Ruling

In July 2024, a Court of Appeal decision upheld the High Court ruling of June 2023 that contracted out defined benefit pension scheme amendments made between 1997 and 2016 would be deemed void if no written sign-off from a scheme actuary can be found. The decision relates to the interpretation of section 37 of the Pension Schemes Act 1993.

The Government Actuary's Department (GAD) is currently reviewing all scheme changes for the LGPS to confirm whether actuarial certificates are available. It is currently not known whether DWP will provide a legislative solution to this issue.

There is a potential liability arising from this court ruling but given the current uncertainties and the absence of information concerning the value of any liability, the 2023/2024 Accounts have not been adjusted.

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 2018, the High Court ruled that UK defined benefit pension schemes must compensate members for differences attributable to Guaranteed Minimum Pensions (GMPs) (*Lloyds Banking Group Pensions Trustees Limited v Lloyds Bank PLC and Others*). Guaranteed Minimum Pension represents the minimum pension an occupational pension scheme must provide a scheme member as an alternative to the State Earnings Related Pension Scheme (SERPS). GMP accrued in the LGPS between 6 April 1978 and 5 April 1997. Responsibility for paying annual pension increases on different tranches of benefit is divided between the LGPS fund and the State (via the State Pension), depending on when the member was in employment and when they reached State Pension Age (SPA). The Government implemented an 'interim' solution for members reaching SPA between 6 April 2016 and 5 December 2018, which involved the LGPS fund paying for everything i.e. both initial pension and all increases. This arrangement was subsequently extended to 5 April 2021. In March 2021 the HM Treasury announced that it has opted to make indexation of GMP payments a permanent measure, instead of merging GMP and pension scheme liabilities.

The Government's solution will lead to an increase in pension fund liabilities as a result of the scheme paying full GMP increases for all members with a SPA after 2016. Effectively this passes the cost from the State to LGPS funds (and therefore employers). There has been no indication of additional funding to cover this extra cost. The LGPS fund actuary has indicated that an estimate for full GMP indexation was included in the 2019 Actuarial Valuation and therefore these costs have already been built in to Balance Sheet liabilities and employer contribution rates.

41. Reserves

41.1 Usable Reserves

Fund balances and usable reserves 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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Usable Earmarked Revenue Reserves:

Budget Contingency Fund / Invest to Save	To provide initial assistance in meeting new and emerging budget pressures and to establish an invest to save fund to provide one-off funding for initiatives that will generate financial and efficiency savings in the medium to long term.
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.
Corporate Services Portfolio	To provide for a variety of specific costs falling to the Corporate Services Portfolio, including: Additional future costs of elections; implementation of payroll system functionality; costs of implementing the new Hybrid Mail Model; holding deposits & bonds; meeting taxation liabilities, improving customer accessibility; recycling the interest from the rail loan back into the project; and to fund the Authority's contribution to the Citizens Advice Bureau.
Covid-19 Response & Recovery	To address additional costs arising from the continued impact of responding to/recovering from the Covid-19 global pandemic after specific Welsh Government funding has ceased.
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 for a variety of specific costs falling to the Economy Portfolio, including: A review of the Authority's asset management systems and match funding for the Crowdfunding Project.

Usable Earmarked Revenue Reserves (Continued):

Education Portfolio	To provide for costs falling within the Education Portfolio, including: Funding of school based staff redundancies in 2023/2024 financial year.
Environment Portfolio	To provide for a variety of specific costs falling to the Environment Portfolio including: maintaining a stable transport oncost rate; decommissioning of the Civic Centre; highways network clearance work in adverse winter weather; fund the costs of specialist legal and financial advice in relation to Silent Valley and Corporate Landlord 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.
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.
Specialist Commercial Advice (Aneurin Leisure Trust Review)	To commission external consultants to support key elements of the review of current and future options for the provision and delivery of Leisure Services.
Strategic Business Reviews	To fund external support to strategic business reviews over a two year period.
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).
Technology Park Feasibility Study	To fund a feasibility study into the establishment of a High Tech Business Park and Test Facility focussed on the automotive and wider mobility/low carbon economic sectors.
Waste Services	To fund any potential financial penalties arising from a failure to meet the statutory recycling recovery target in 2023/2024 and future years.

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 corporate landlord pressures recently identified.
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	Match funding required to subsidise Industrial Units.
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 Regional Vehicles.

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 fund balances and reserves were as follows:

Fund Balances	Balance at 1 April 2022	Transfers to Funds	Transfers from Funds	Balance at 31 March 2023	Transfers to Funds	Transfers from Funds	Balance at 31 March 2024
	£000	£000	£000	£000	£000	£000	£000
Council Fund	(13,104)	0	194	(12,910)	(273)	111	(13,072)
Total: Fund Balances	(13,104)	0	194	(12,910)	(273)	111	(13,072)

Usable Earmarked Revenue Reserves	Balance at 1 April 2022	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2023	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2024
	£000	£000	£000	£000	£000	£000	£000
Budget Contingency Fund/Invest to Save	(64)	0	64	0	0	0	0
Building Control Fees	(38)	(19)	0	(57)	(60)	28	(89)
Cardiff Capital Region City Deal	(669)	(387)	0	(1,056)	(249)	22	(1,283)
Corporate Services Portfolio	(629)	(190)	141	(678)	(24)	102	(600)
Covid-19 Response & Recovery	(1,527)	0	53	(1,474)	0	0	(1,474)
Downsizing, Redundancy & Transitional Costs	(184)	(104)	0	(288)	(189)	0	(477)
Economy Portfolio	(127)	0	23	(104)	(353)	2	(455)
Education Portfolio	(100)	(200)	0	(300)	(40)	0	(340)
Environment Portfolio	(758)	(61)	171	(648)	(227)	173	(702)
Financial Planning/Resilience	(3,554)	(1,500)	0	(5,054)	0	0	(5,054)
Future Interest Rate	(644)	(853)	0	(1,497)	(432)	0	(1,929)
I.C.T.	(1,388)	(160)	273	(1,275)	0	152	(1,123)
Individual Schools Budget (ISB)	(118)	0	94	(24)	(247)	0	(271)
Inflation & Service Cost Pressure	(1,361)	0	450	(911)	0	0	(911)
Insurance Liabilities	(3,197)	(318)	0	(3,515)	0	0	(3,515)
Invest to Save	(1,000)	(395)	0	(1,395)	(565)	0	(1,960)
Land & Property Charges (Social Services)	(117)	0	4	(113)	(70)	0	(183)
LMS (Schools) Balances	(6,214)	(49)	1,553	(4,710)	(111)	3,616	(1,205)
Local/Strategic Development Plan	(143)	0	0	(143)	0	0	(143)
Members Local Grants	(23)	(21)	0	(44)	0	0	(44)
Planning Committee	(192)	(38)	82	(148)	(388)	44	(492)
Rail Loan Interest	(38)	(866)	0	(904)	(713)	0	(1,617)
Revenue Grants & Contributions Unapplied	(3,249)	(1,582)	1,085	(3,746)	(851)	358	(4,239)
Silent Valley Waste Services	0	0	0	0	(1,504)	0	(1,504)
Social Services Portfolio	(2,294)	(4)	697	(1,601)	(152)	108	(1,645)
Strategic Business Reviews	(168)	0	168	0	0	0	0
Superannuation	(601)	0	0	(601)	0	0	(601)
Supporting Additional Capacity	(369)	(17)	309	(77)	0	51	(26)
Technology Park Feasibility Study	(26)	0	26	0	0	0	0
Waste Services	(120)	0	0	(120)	0	0	(120)
Total: Usable Earmarked Revenue Reserves	(28,912)	(6,764)	5,193	(30,483)	(6,175)	4,656	(32,002)

Usable Revenue Reserves Earmarked for Capital Purposes	Balance at 1 April 2022	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2023	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2024
	£000	£000	£000	£000	£000	£000	£000
Capital Inflation & Service Cost Pressure	(1,000)	0	0	(1,000)	0	0	(1,000)
Corporate Landlord	(150)	0	0	(150)	0	0	(150)
Deminimis Capital Works	(101)	(25)	0	(126)	(13)	0	(139)
Facilities	(119)	0	0	(119)	0	0	(119)
Energy Centre	(270)	(24)	0	(294)	(189)	0	(483)
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	0	(420)
WRAP Regional Vehicles	(254)	(72)	0	(326)	(12)	0	(338)
Total: Usable Reserves Earmarked for Capital Purposes	(3,273)	(121)	0	(3,394)	(214)	0	(3,608)

Usable Capital Reserves	Balance at 1 April 2022	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2023	Transfers to Reserves	Transfers from Reserves	Balance at 31 March 2024
	£000	£000	£000	£000	£000	£000	£000
Capital Grants Unapplied	(31,829)	(3,134)	29,662	(5,301)	(2,444)	2,662	(5,083)
Usable Capital Receipts	(8,198)	(597)	193	(8,602)	(803)	306	(9,099)
Total: Usable Capital Reserves	(40,027)	(3,731)	29,855	(13,903)	(3,247)	2,968	(14,182)

Summary: Usable Reserves	Balance at 1 April 2022	Transfers to Funds & Reserves	Transfers from Funds & Reserves	Balance at 31 March 2023	Transfers to Funds & Reserves	Transfers from Funds & Reserves	Balance at 31 March 2024
	£000	£000	£000	£000	£000	£000	£000
Fund Balances	(13,104)	0	194	(12,910)	(273)	111	(13,072)
Earmarked Revenue Reserves	(28,912)	(6,764)	5,193	(30,483)	(6,175)	4,656	(32,002)
Revenue Reserves Earmarked for Capital Purposes	(3,273)	(121)	0	(3,394)	(214)	0	(3,608)
Capital Reserves	(40,027)	(3,731)	29,855	(13,903)	(3,247)	2,968	(14,182)
Total: Usable Reserves	(85,316)	(10,616)	35,242	(60,690)	(9,909)	7,735	(62,864)

41.2 Unusable Reserves

41.2.1 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	2023/2024 £000	2022/2023 £000
Balance at 1 April	(130,142)	(89,179)
Reversal of items relating to capital expenditure debited or credited to the CIES:		
Charges for depreciation	11,990	10,334
Impairment of non-current assets	235	1,872
Revaluation gains on Property, Plant & Equipment	(2,911)	(13,217)
Revenue expenditure funded from capital under statute	7,116	4,513
Capital grants and contributions applied to capital financing	(38,335)	(12,210)
Non-current assets written off on disposal or sale as part of the gain/loss on disposal	63,132	(99)
Sub-Total: Capital Adjustment Transactions included in the CIES:	41,227	(8,807)
Items not debited or credited to the CIES:		
Statutory provision for the financing of capital investment charged against the Council Fund	(1,807)	(1,744)
Capital expenditure charged against the Council Fund	(182)	(468)
City Deal Loans Repaid and Credited to Capital Receipts	165	0
	(1,824)	(2,212)
Capital financing applied in the year:		
Use of the Capital Receipts Reserve to finance new capital expenditure	(232)	(123)
Write Out of Infrastructure Loan Discount	(97)	950
Application of grants to capital financing from Capital Grants Unapplied	(2,662)	(29,662)
	(2,991)	(28,835)
Sub-Total: Capital Adjustment Transactions included in the MiRS:	(4,815)	(31,047)
Adjusting Amounts written out of the Revaluation Reserve:		
Charges for depreciation & impairment of non-current assets	(1,944)	(1,001)
Non-current assets written off on disposal or sale as part of the gain/loss on disposal	0	(108)
Sub-Total: Transactions with the Revaluation Reserve:	(1,944)	(1,109)
Balance at 31 March	(95,674)	(130,142)

41.2.2 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	2023/2024	2022/2023
	£000	£000
Balance at 1 April	(51,084)	(32,190)
Upward revaluation of assets	(24,324)	(18,471)
Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	12,941	1,351
Depreciation - write back revaluation reserve	(5,504)	(2,883)
Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	(16,887)	(20,003)
Difference between fair value depreciation and historical cost depreciation	1,944	1,001
Accumulated gains on assets sold or scrapped	0	108
Amount written off to the Capital Adjustment Account	1,944	1,109
Balance at 31 March	(66,027)	(51,084)

41.2.3 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	2023/2024	2022/2023
	£000	£000
Balance at 1 April	3,359	3,464
Proportion of premiums incurred in previous financial years to be charged against the Council Fund Balance in accordance with statutory requirements	(145)	(105)
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	(145)	(105)
Balance at 31 March	3,214	3,359

41.2.4 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	2023/2024	2022/2023
	£000	£000
Balance at 1 April	(3,151)	(3,291)
New Deferred Receipts	(21,560)	0
Transfer to the Capital Receipts Reserve upon receipt of cash	144	140
Balance at 31 March	(24,567)	(3,151)

41.2.5 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	2023/2024 £000	2022/2023 £000
Balance at 1 April	73,222	291,885
Remeasurement of pensions assets & liabilities	28,360	(237,700)
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	15,566	34,808
Employer's pensions contributions and direct payments to pensioners payable in the year	(17,933)	(15,771)
Balance at 31 March	99,215	73,222

41.2.6 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 2023/2024, £2.122m of accruals for the preceding year were settled or cancelled and £2.178m was accrued at 31 March 2024 (2022/2023: £2.826m of accruals for the preceding year were settled or cancelled and £2.122m was accrued at year end).

41.2.7 Summary of Unusable Reserves

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

Unusable Reserves	2023/2024 £000	2022/2023 £000
Capital Adjustment Account	(95,674)	(130,142)
Revaluation Reserve	(66,027)	(51,084)
Financial Instruments Adjustment Account	3,214	3,359
Deferred Capital Receipts Reserve	(24,567)	(3,151)
Pensions Reserve	99,215	73,222
Accumulated Absences Account	2,178	2,122
Total Unusable Reserves:	(81,661)	(105,674)

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	2023/2024 £000	2022/2023 £000
Depreciation, Revaluation & Impairment	9,346	(1,011)
REFCUS (deferred charges)	7,116	4,513
Change in the Fair Value of Investment Properties	82	0
Effective interest adjustment	9	48
Soft Loan Adjustment	(97)	950
Short Term Accumulated Absences	0	(704)
Net IAS19 charges made for Retirement Benefits	15,566	34,808
IAS19 Employers Contributions Paid to Pension Fund	(17,933)	(15,771)
Write Down of Donated Assets Account	(628)	0
	13,461	22,833
Increase/(Decrease) in Provisions	2,013	3,359
(Increase)/Decrease in Inventories	609	1,421
(Increase)/Decrease in Revenue Debtors	(3,912)	(2,335)
Increase/(Decrease) in Revenue Creditors	(1,252)	(3,946)
Total	10,919	21,332

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

Cash Flow - Adjustments for Investing & Financing Activities	2023/2024 £000	2022/2023 £000
(Gain)/Loss on Disposal of fixed assets	40,700	(456)
Capital Grants credited to CIES	(40,779)	(15,345)
Total	(79)	(15,801)

42.3 Receipts or Payments of Interest included in Operating Activities

Cash Flow - Interest included in Operating Activities	2023/2024 £000	2022/2023 £000
Interest Received	(2,507)	(1,738)
Interest Paid	5,788	3,703
Dividends Received	(1,400)	0
Net Total	1,881	1,965

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	2023/2024 £000	2022/2023 £000
Cash Outflows		
Purchase of Non-Current Assets	(57,924)	(51,304)
Other Capital Cash Payments	(31)	(12,065)
	(57,955)	(63,369)
Cash Inflows		
Sale of Non-Current Assets	494	457
Capital Grants Received	29,508	15,352
Proceeds from Short and Long Term Investments	12,065	21,000
	42,067	36,809
Total	(15,888)	(26,560)

43.2 Financing Activities

The cash flows for financing activities consist of the following:

Cash Flow - Financing Activities	2023/2024 £000	2022/2023 £000
Cash Outflows		
Repayments of Amounts Borrowed	(87,432)	(81,318)
Capital Element of Finance Lease Rental Payments	(139)	(157)
Agency and Other Non-BGC Activities	(31)	0
	(87,602)	(81,475)
Cash Inflows		
New Loans Raised	0	14,578
New Short-Term Loans	64,355	56,000
Agency and Other Non-BGC Activities	5,270	0
	69,625	70,578
Total	(17,977)	(10,897)

43.3 Liabilities arising from Financing Activities

Movement in liabilities arising from financing activities are as follows:

Cash Flow - Liabilities arising from Financing Activities	2023/2024 £000	2022/2023 £000
Opening Liabilities arising from Financing Activities	221,062	231,585
Cash inflows relating to borrowing and investments	64,355	70,575
Repayments of Amounts Borrowed	(87,432)	(81,318)
Capital Element of Finance Lease Rental Payments	(139)	(157)
Net Cash Flows from Financing Activities	(23,216)	(10,900)
Adjustments for Non-Cash and Other Financing Activities		
Effective Interest Adjustment	9	48
Finance Lease Additions	0	329
	9	377
Closing Liabilities arising from Financing Activities	197,855	221,062

44. Cash and Cash Equivalents

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

Cash and Cash Equivalents	2023/2024 £000	2022/2023 £000
Cash Held by the Authority	53	53
Bank Accounts	(4,563)	(2,672)
Short Term Investments	22,500	54,000
Total Cash & Cash Equivalents	17,990	51,381



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Blaenau Gwent

County Borough Council



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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 2023	2023/2024	Cumulative to 31 March 2024
		£000	£000	£000
Capital Expenditure:	Lime Avenue	6,464	40	6,504
	Regain 2	3,449	3,244	6,693
Total Capital Expenditure:		9,913	3,284	13,197
Sources of Finance:	Welsh Government	6,513	3,284	9,797
	WEFO	2,402	0	2,402
	Blaenau Gwent CBC	989	0	989
	Other	9	0	9
Total Financing:		9,913	3,284	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 has been included in the Council's Balance Sheet in relation to the requirement to purchase the Welsh Government Capital Share. At 31 March 2024, this has been included at £9.036m, being the value of grant received from Welsh Government at that date (31 March 2023: £4.492m).

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 to purchase the Welsh Government Capital Share in September 2039. As a result, from March 2025 the Council will no longer be required to include this liability in its 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.

For 2023/2024, letting income and expenses were as follows:

Lime Avenue Joint Venture Agreement - Lettings Account	2023/2024	2022/2023
	£000	£000
Income & Expenditure		
Rental Income Due	(96)	(104)
Letting Expenditure	11	18
Insurance	4	3
Repairs & Maintenance	1	0
(Surplus)/Deficit Rental Income	(80)	(83)
Share of Surplus Rental Income:		
Blaenau Gwent CBC	(6)	(7)
Welsh Government	(74)	(76)
Total	(80)	(83)

To 31 March 2024, 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	2023/2024			2022/2023		
	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	40	(48)	88	4,663	405	4,258
Operating Income	0	0	0	0	0	0
Net Cost of Services	40	(48)	88	4,663	405	4,258
Taxation & Non-Specific Grant Income	(3,284)	(142)	(3,142)	(2,825)	(245)	(2,580)
(Surplus)/Deficit on Provision of Services	(3,244)	(190)	(3,054)	1,838	160	1,678

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 2022	0	(7,087)	(7,087)	0	(616)	(616)	0	(6,471)	(6,471)
(Surplus)/Deficit on Provision of Services	1,838	0	1,838	160	0	160	1,678	0	1,678
Adjustments between accounting basis & funding basis	(1,838)	1,838	0	(160)	160	0	(1,678)	1,678	0
Net(Increase)/Decrease	0	1,838	1,838	0	160	160	0	1,678	1,678
Balance at 31 March 2023	0	(5,249)	(5,249)	0	(456)	(456)	0	(4,793)	(4,793)
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)

45.3 Lime Avenue JVA - Summary Balance Sheet

Lime Avenue Joint Venture Agreement: Summary Balance Sheet	2023/2024			2022/2023		
	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	8,493	646	7,847	5,249	456	4,793
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	8,493	646	7,847	5,249	456	4,793
Usable Reserves	0	0	0	0	0	0
Unusable Reserves	(8,493)	(646)	(7,847)	(5,249)	(456)	(4,793)
Total Reserves	(8,493)	(646)	(7,847)	(5,249)	(456)	(4,793)

45.4 Lime Avenue JVA - Summary Cash Flow Statement

Lime Avenue Joint Venture Agreement: Cash Flow Statement	2023/2024			2022/2023		
	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	3,244	190	3,054	(1,838)	(160)	(1,678)
Adjustments to the provision of Services for non-cash movements	40	3	37	4,664	405	4,259
Adjustments for items included in the provision of services that are investing and financing activities	(3,284)	(144)	(3,140)	(2,826)	(245)	(2,581)
Net Cash Inflows/(Outflows) from Operating Activities	0	49	(49)	0	0	0
Investing Activities	3,662	278	3,384	(1,102)	(96)	(1,006)
Net increase or (decrease) in cash and cash equivalents	3,662	327	3,335	(1,102)	(96)	(1,006)
Cash and Cash equivalents at the beginning of the reporting period	(4,423)	(385)	(4,038)	(3,321)	(289)	(3,032)
Cash and cash equivalents at the end of the reporting period	(761)	(58)	(703)	(4,423)	(385)	(4,038)

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, City Deal has evolved from a single funding program to the multiple funding functions and accountabilities of a wider City Region. The South East Wales Corporate Joint Committee Regulations 2021 established a Corporate Joint Committee (CJC) for the Cardiff City Region, which came into effect on 1 April 2021. It was anticipated that the CJC would assume full delivery of the City Deal programme during 2021/2022 and in order to provide business continuity during the transition period, a 'twin-track' approach was adopted. During this initial phase, the CJC operated at a 'bare minimum', ahead of setting its first statutory budget on 31 January 2022. However, a number of technical/legal issues delayed the process of full delivery by the CJC until March 2024.

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

	2023/2024		2022/2023	
Summary CCRCD Group Comprehensive Income & Expenditure Statement	CCRCD Group £000	Blaenau Gwent Apportionment £000	CCRCD Group £000	Blaenau Gwent Apportionment £000
Cost of Services				
Operating Expenditure	34,397	1,589	23,247	1,074
Operating Income	(34,519)	(1,595)	(24,176)	(1,117)
Net Cost of Services	(122)	(6)	(929)	(43)
Financing and Investment Income & Expenditure	(2,060)	(95)	849	39
Taxation & Non-Specific Grant Income	(23,278)	(1,075)	(28,220)	(1,304)
Tax Expenses	201	9	(158)	(7)
(Surplus)/Deficit on Provision of Services	(25,259)	(1,167)	(28,458)	(1,315)

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 £000	Unusable Reserves £000	Total Reserves £000	Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 1 April 2022	(14,511)	(36,519)	(51,030)	(670)	(1,687)	(2,357)
Adjustment to Opening Balance	612	14	626	28	0	28
Revised Balance at 1 April 2022	(13,899)	(36,505)	(50,404)	(642)	(1,687)	(2,329)
(Surplus)/Deficit on Provision of Services	(28,458)	0	(28,458)	(1,315)	0	(1,315)
Adjustments between accounting basis & funding basis	29,435	(27,431)	2,004	1,360	(1,267)	93
Transfers to/(from) earmarked reserves	(9,963)	7,959	(2,004)	(460)	368	(92)
Net(Increase)/Decrease	(8,986)	(19,472)	(28,458)	(415)	(899)	(1,314)
Balance at 31 March 2023	(22,885)	(55,977)	(78,862)	(1,057)	(2,586)	(3,643)
Balance at 1 April 2023	(22,885)	(55,977)	(78,862)	(1,057)	(2,586)	(3,643)
Adjustment to Opening Balance	67	(3,940)	(3,873)	3	(182)	(179)
Revised Balance at 1 April 2023	(22,818)	(59,917)	(82,735)	(1,054)	(2,768)	(3,822)
(Surplus)/Deficit on Provision of Services	(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)

46.3 Cardiff Capital Region City Deal - Summary Group Balance Sheet

Summary CCRCD Group Balance Sheet	2023/2024		2022/2023	
	CCRCD Group £000	Blaenau Gwent Apportionment £000	CCRCD Group £000	Blaenau Gwent Apportionment £000
Non-Current Assets	123,548	5,708	94,784	4,379
Current Assets	71,418	3,299	68,673	3,172
Current Liabilities	(16,300)	(753)	(38,033)	(1,757)
Non-Current Liabilities	(68,596)	(3,169)	(46,562)	(2,151)
Total Net Assets	110,070	5,085	78,862	3,643
Usable Reserve	(31,369)	(1,449)	(22,885)	(1,057)
Unusable Reserve	(78,701)	(3,636)	(55,977)	(2,586)
Total Reserves	(110,070)	(5,085)	(78,862)	(3,643)

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

Summary CCRCD Group Cash Flow Statement	2023/2024		2022/2023	
	CCRCD Group £000	Blaenau Gwent Apportionment £000	CCRCD Group £000	Blaenau Gwent Apportionment £000
Net Surplus/(Deficit) on the provision of services	(25,259)	(1,167)	(28,458)	(1,315)
Adjustments to the provision of Services for non-cash movements	51,556	2,382	43,611	2,015
Net Cash Inflows/(Outflows) from Operating Activities	26,297	1,215	15,153	700
Investing Activities	25,603	1,183	38,801	1,792
Financing Activities	(61,373)	(2,835)	(39,649)	(1,832)
Net increase or (decrease) in cash and cash equivalents	(9,473)	(437)	14,305	660
Cash and Cash equivalents at the beginning of the reporting period	(54,793)	(2,532)	(69,098)	(3,192)
Adjustment to Cash and Cash equivalents opening balance	363	17	0	0
Cash and cash equivalents at the end of the reporting period	(63,903)	(2,952)	(54,793)	(2,532)

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	2023/2024		
	Gross Expenditure	Gross Income	Net
	£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

Joint Arrangements	2022/2023		
	Gross Expenditure	Gross Income	Net
	£000	£000	£000
Greater Gwent Cremation Joint Committee	0	(72)	(72)
Gwent Joint Records Committee	154	0	154
Gwent Transport Unit	953	0	953
South East Wales Strategic Planning Group	1	0	1
Total	1,108	(72)	1,036

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 (JRC)

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 2023/2024, Blaenau Gwent was the host Authority, overseeing the following transactions:

South East Wales Strategic Planning Group	2023/2024	2022/2023
	£000	£000
Balance at 1 April	(51)	(46)
Receipts (Member Subscriptions)	(68)	(5)
Payments	0	0
Balance at 31 March	(119)	(51)

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). Consequently, the Council is due to receive the first Asset Development Fee payment from Transport for Wales (Rail) in the first Quarter of 2025 and is also due to make the first loan repayment to Welsh Government at that time.

The project loan has been discounted to its current (fair) value in the 2023/2024 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, increasing from £30.56m to £47.47m, with a commensurate reduction in the present value of the loan liability.

The discount on these amounts has been unwound for three years and as a result the present value of loan liabilities recognised at 31 March 2024 is £24.057m, with £45.943m recognised as capital grants, 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 2023	Balance at 31 March 2024
		£000	£000
Asset Under Construction		32,676	0
TfW Rail Debtor:	Current	0	1,400
	Non-Current	0	22,657
	Impairment	0	(2,497)
Rail Loan:	Current	0	(1,400)
	Non-Current	(41,202)	(22,657)
Unspent Loan Funding (Bank/Investments)		37,324	7,265
Deferred Capital Receipts		0	(21,560)
Capital Adjustment Account:	Capital Grant	(28,798)	(45,943)
	Expenditure Written Down on Disposal	0	62,735
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	2023/2024					2022/2023				
	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)	(24)	(69)	(3)	(200)	(104)	(1)	(26)	(3)	(134)
Other	0	(4)	(11)	(4)	(19)	0	(2)	(4)	(3)	(9)
Total Income	(104)	(28)	(80)	(7)	(219)	(104)	(3)	(30)	(6)	(143)
Expenditure										
Charitable Activities	186	28	80	7	301	111	3	30	6	150
Other	104	0	0	0	104	104	0	0	0	104
Total Resources Expended	290	28	80	7	405	215	3	30	6	254
Net Expenditure	186	0	0	0	186	111	0	0	0	111
(Gains) and Losses on Revaluation of Fixed Assets	(3,268)	0	0	0	(3,268)	0	0	0	0	0
Net Movement in Funds	(3,082)	0	0	0	(3,082)	111	0	0	0	111

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

Charitable Trusts - Property, Plant & Equipment	2023/2024			2022/2023		
	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	(245)	7,751	5,571	(1,036)	4,535
Cwm Recreation Ground	15	(15)	0	15	(15)	0
Ebbw Vale Recreation Ground	298	(121)	177	298	(107)	191
Tredegar Recreation Ground	86	(76)	10	86	(76)	10
Total	8,395	(457)	7,938	5,970	(1,234)	4,736

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	2023/2024	2022/2023
	£000	£000
Cash	59	57
Balance at 31 March	59	57



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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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Blaenau Gwent

County Borough Council

Contents - Group Accounts

Page Number

The Statement of Group Accounts

The Group Financial Statements

Group Comprehensive Income and Expenditure Statement	121
Group Movement in Reserves Statement	122
Group Balance Sheet	123
Group Cash Flow Statement	124

The Notes to the Group Financial Statements

G1. Group Accounting Policies	125
G2. Notes to the Group Financial Statements	127

Notes to the Group Comprehensive Income and Expenditure Statement

G3. Group Expenditure and Funding Analysis	128
G4. External Audit Fees	129

Notes to the Group Movements in Reserves Statement

G5. Other Comprehensive Income and Expenditure	129
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Contents - Group Accounts (Continued)

Page Number

Notes to the Group Balance Sheet

G6. Property Plant and Equipment	130
G7. Provisions	133
G8. Post-Employment Benefits	134
G9. Reserves	137

Notes to the Group Cash Flow

G10. Reconciliation of the Deficit on the Provision of Services to Net Cash Flows From Operating Activities	138
G11. Analysis of the Amounts of Major Classes of Gross Cash Receipts and Gross Cash Payments	139
G12. Cash and Cash Equivalents	139



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Cyngor Bwrdeistref Sirol

Blaenau Gwent

County Borough Council

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	2023/2024			2022/2023			Note:
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000	£000	£000	£000	£000	£000	
Continuing Operations							
Corporate Services	48,665	(22,842)	25,823	50,797	(23,272)	27,525	G4
Education	22,599	(9,553)	13,046	17,631	(9,959)	7,672	
Education - Schools	71,131	(6,290)	64,841	58,443	(5,954)	52,489	
Environment	41,307	(12,840)	28,467	34,071	(9,673)	24,398	
Cardiff Capital Region City Deal	1,650	(1,662)	(12)	1,074	(1,087)	(13)	
Regeneration & Economic Development	8,136	(11,658)	(3,522)	10,744	(6,734)	4,010	
Social Services	79,773	(27,937)	51,836	79,936	(27,271)	52,665	
Licensing	230	(96)	134	255	(114)	141	
Planning	1,064	(766)	298	1,465	(457)	1,008	
Silent Valley Waste Services Ltd.	0	0	0	1,893	(296)	1,597	G4
Total Deficit on Continuing Services	274,555	(93,644)	180,911	256,309	(84,817)	171,492	G3
Other Operating Expenditure	74,255	(22,054)	52,201	10,932	(539)	10,393	
Financing and Investment Income and Expenditure	30,663	(24,619)	6,044	25,532	(14,448)	11,084	
Taxation and Non-Specific Grant Income	0	(225,267)	(225,267)	0	(189,872)	(189,872)	
(Surplus)/Deficit on Provision of Services	379,473	(365,584)	13,889	292,773	(289,676)	3,097	G3
Tax Expenses			19			(7)	46.1
Group (Surplus)/Deficit			13,908			3,090	G3
(Surplus)/Deficit Arising on the Revaluation of Non-Current Assets			(20,155)			(20,003)	
Remeasurement of the net defined benefit pension liability			28,360			(238,072)	G8.2
Other Comprehensive Income & Expenditure			8,205			(258,075)	G5
Total Group Comprehensive Income & Expenditure			22,113			(254,985)	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	2023/2024			2022/2023			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	(166,235)	(6,679)	(172,914)	88,488	(6,466)	82,022	GCIES
Total Group Comprehensive Income & Expenditure	21,839	274	22,113	(254,563)	(422)	(254,985)	
Adjustments between accounting basis & funding basis under statutory provisions	0	0	0	0	0	0	
Adjustments between Group Accounts and Authority Accounts	(233)	(1,266)	(1,499)	(160)	160	0	
Transfers(to)/ from Earmarked Reserves	0	0	0	0	49	49	
(Increase)/Decrease in year	21,606	(992)	20,614	(254,723)	(213)	(254,936)	GBS, G9
Balance at 31 March	(144,629)	(7,671)	(152,300)	(166,235)	(6,679)	(172,914)	

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 2024		31 March 2023		Note:
	£000	£000	£000	£000	
Property, Plant & Equipment	364,180		360,474		G6
Investment Properties	2,888		2,938		
Heritage Assets	726		726		
Non-Current Investments	1,018		408		
Non-Current Debtors	24,753		3,989		
Sub Total: Long Term Assets		393,565		368,535	
Assets Held for Sale	0		0		G13
Current Investments	31		12,065		
Inventories	395		1,004		
Current Debtors	37,290		42,163		
Deferred Tax Asset	99		83		
Cash and Cash Equivalents	17,990		54,737		
Sub Total: Current Assets		55,805		110,052	
Current Borrowing	(54,299)		(57,527)		G7
Current Creditors	(22,160)		(20,334)		
Current Grants Receipts in Advance	(2,886)		(8,274)		
Current Donated Assets	(73)		(615)		
Current Provisions	(936)		(1,476)		
Sub Total: Current Liabilities		(80,354)		(88,226)	
Non-Current Borrowing	(95,647)		(132,498)		G7 G8
Non-Current Provisions	(7,423)		(3,497)		
Other Long-Term Liabilities	(113,646)		(81,452)		
Sub Total: Long-Term Liabilities		(216,716)		(217,447)	
Total Net Assets/(Liabilities)		152,300		172,914	
Usable Reserves	(62,888)		(62,571)		G9
Unusable Reserves	(89,412)		(110,343)		G9
Total Reserves		(152,300)		(172,914)	

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	2023/2024		2022/2023		Note:
	£000	£000	£000	£000	
Net surplus/(deficit) on the provision of services <i>less</i> tax expenses	(13,908)		(3,090)		GCIES
Adjustments to the provision of services for non-cash movements	11,105		17,921		G10.1
Adjustments for items included in the provision of services that are investing and financing activities	1,321		(15,801)		
Interest received	0		63		
Net Cash Inflows from Operating Activities		(1,482)		(907)	
Investing activities		(17,288)		(26,561)	G11
Financing activities		(17,977)		(10,897)	
Net increase or (decrease) in cash and cash equivalents		(36,747)		(38,365)	
Cash and cash equivalents at the beginning of the reporting period		54,737		93,102	GBS, G12
Cash and cash equivalents at the end of the reporting period		17,990		54,737	GBS, G12

- 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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County Borough Council

G1. Group Accounting Policies

G1.1 Group Boundary

The Blaenau Gwent County Borough Council Group comprises:

- Blaenau Gwent County Borough Council
- Silent Valley Waste Services Ltd. (to May 2023), of which Blaenau Gwent CBC is the sole shareholder; 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 its Subsidiaries for the 2023/2024 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 2023/2024 and the Service Reporting Code of Practice 2023/2024, 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 three constituent entities. The Group Policies are largely the same as those used in preparing the Accounts for the Parent Authority, as recorded on pages 24-32. However, where Policies differ, the Group Policy is included in this section.

The staff and activities of the Silent Valley Waste Services Company transferred to the Council on 28 April 2023. At this point the Company ceased to trade and the remaining assets and liabilities were transferred to the Council by 30 June 2023. No Accounts have therefore been prepared by Silent Valley Waste Services Ltd. for the year to 31 March 2024, so any information used in preparing the Group Accounts for 2023/2024 have utilised the Accounts prepared by Silent Valley Waste Services Ltd. to 30 June 2023.

Accounts for the 2023/2024 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.

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, after the combination of Blaenau Gwent CBC and Silent Valley Waste Services Ltd. in 2023, there are no significant or material transactions to consider between the Group parties.

G1.4 Acquisitions and Discontinued Operations

The principal activities of Silent Valley Waste Services Ltd. were waste management, disposal and ancillary services such as recycling and waste collection. 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 2023/2024 and there were no acquisitions or discontinuations of service during the financial year. All operations of Silent Valley Waste Services Ltd. were transferred to the Parent (Blaenau Gwent County Borough Council) on a going concern basis during 2023/2024.

G1.5 Employee Benefits

G1.5.1 Post Employment Benefits

Employees of Silent Valley Waste Services Ltd. were members of the following pension schemes:

- The Local Government Pensions Scheme, as an admitted body, administered by Torfaen County Borough Council; and
- Silent Valley Defined Contribution Scheme.

Both schemes provided benefits to members (retirement lump sums and pensions), earned as employees work for the company.

The required accounting treatments were as follows:

The Local Government Pension Scheme

As required for a defined benefit scheme, the employers pension costs charged to the Group's accounts were equal to the actuarially-calculated liabilities arising as a result of the service effected by employees. Additional costs arising for discretionary benefits paid to staff on retirement were accounted for on a liability basis, with the full amount of any such payments being recorded in service accounts in the year of occurrence.

Silent Valley Defined Contribution Scheme

In a defined contribution scheme, the employer has no obligation beyond payment of the agreed contributions. Therefore, the net cost of services in the Group Comprehensive Income and Expenditure Statement was charged with the amount of contributions payable for the year of account. Prepayments or accruals were recorded in the Group Balance Sheet if required.

When Silent Valley Waste Services Ltd. ceased trading and operations transferred to Blaenau Gwent CBC, members of the Silent Valley Defined Contribution Scheme were given the option to defer their benefits or transfer into the Local Government Pension Scheme. The following LGPS pension assets and liabilities relating to Silent Valley staff were transferred to Blaenau Gwent in May 2023:

Silent Valley Waste Services: Pension Assets & Liabilities Transferred to Blaenau Gwent CBC	Local Government Pension Scheme £000
Fair Value of Scheme Assets	2,267
Present Value of Scheme Liabilities	(1,582)
Net Asset:	685

On transfer, IAS 19 restricts the level of assets that can be recognised to the level of scheme liabilities. In the accounting statements, Assets and Liabilities transferred have therefore been capped at £1.582m, with the surplus asset included in the 'asset ceiling' adjustment.

Further details of the transactions undertaken and required disclosures for the Local Government Pension Scheme, Teachers Pension Scheme and Silent Valley Defined Contribution Scheme can be found in the notes to the Group Accounts.

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 2023/2024, only expenditure in excess of £10,000 has been capitalised by the Parent Authority (2022/2023: £50,000), 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

Tangible Non-Current Assets attributable to Silent Valley were recorded in the accounts on the basis of depreciated historic cost.

As a Grade II Listed building, Bedwellty House has been valued on a replacement cost basis. Heritage assets in the park are included at a nominal value.

G1.6.3 Depreciation

The standard lives for assets held by Silent Valley Waste Services Ltd. were not significantly different from those used by the Parent Authority, and any differences in calculated depreciation sums were not considered to be material.

Bedwellty House has been 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.

G1.7 Aftercare Provisions

Provision for the cost of the Silent Valley site aftercare was transferred to Blaenau Gwent CBC in May 2023. A separate provision was recognised from 1 April 2023 in respect of the Council's potential future obligations in respect of Leachate Management at the Silent Valley Site.

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 subsidiary undertaking or charitable trust; or
- the note relates solely to the activities of the subsidiary or charitable trust and has not been included in the Accounts of the Local Authority.

Group Comprehensive Income & Expenditure Statement Notes**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	2023/2024					2022/2023 (Restated)				
	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	16,103	9,643	25,746	77	25,823	16,212	8,914	25,126	2,399	27,525
Education	72,825	(58,572)	14,253	(1,207)	13,046	68,263	(55,204)	13,059	(5,387)	7,672
Education - Schools	1,044	54,230	55,274	9,567	64,841	(4,820)	56,054	51,234	1,255	52,489
Environment	33,961	(11,221)	22,740	5,727	28,467	28,828	(10,496)	18,332	6,066	24,398
Cardiff Capital Region City Deal	0	(67)	(67)	55	(12)	0	(13)	(13)	0	(13)
Regeneration & Economic Development	1,656	(851)	805	(4,327)	(3,522)	1,628	(546)	1,082	2,928	4,010
Social Services	54,039	(1,707)	52,332	(496)	51,836	50,182	(2,208)	47,974	4,691	52,665
Licensing	156	(15)	141	(7)	134	128	(14)	114	27	141
Planning	1,198	(868)	330	(32)	298	1,189	(327)	862	146	1,008
Capital Adjustments	0	0	0	0	0	0	0	0	0	0
Pension Adjustments	0	648	648	(648)	0	0	465	465	(465)	0
Silent Valley	0	0	0	0	0	1,597	0	1,597	0	1,597
Net Expenditure on Continuing Operations	180,982	(8,780)	172,202	8,709	180,911	163,207	(3,375)	159,832	11,660	171,492
Other Operating Expenditure	0	11,121	11,121	41,080	52,201	(82)	10,574	10,492	(99)	10,393
Financing & Investment Income & Expenditure	0	4,543	4,543	1,501	6,044	(36)	4,421	4,385	6,699	11,084
Taxation & Non-Specific Grant Income	0	(186,424)	(186,424)	(38,843)	(225,267)	0	(176,251)	(176,251)	(13,621)	(189,872)
(Surplus)/Deficit on the Provision of Services	180,982	(179,540)	1,442	12,447	13,889	163,089	(164,631)	(1,542)	4,639	3,097
Tax expenses	0	0	19	0	19	(7)	0	(7)	0	(7)
Group (Surplus)/Deficit	180,982	(179,540)	1,461	12,447	13,908	163,082	(164,631)	(1,549)	4,639	3,090
Transfers to/(from) earmarked reserves			234					1,583		
(Increase)/Decrease in year			1,695					34		
Opening Group Balances as at 1 April			(14,791)					(14,825)		
Closing Group Balances as at 31 March			(13,096)					(14,791)		

G4. External Audit Fees

The Group incurred the following fees relating to External Audit and inspection:

External Audit Fees	2023/2024 £000	2022/2023 £000
Fees payable in respect of:		
External audit services - Final Accounts	325	206
Silent Valley external audit services - Final Accounts	21	16
External audit services - Local Government Measures	114	112
Certification of grant claims and returns	52	52
Other services	0	50
Total Audit Fees	512	436

External Audit services for Blaenau Gwent CBC are provided by Audit Wales; for Silent Valley Waste Services Ltd. by Azets Audit Services; and for the Bedwellty House and Park Charitable Trust by Blaenau Gwent CBC (Internal Audit).

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	2023/2024 £000	2022/2023 £000
(Surplus)/Deficit arising on the revaluation of Non-Current Assets	(20,155)	(20,003)
Remeasurement of the net defined benefit pension liability	28,360	(238,072)
Other Comprehensive Income & Expenditure	8,205	(258,075)

Group Balance Sheet Notes

G6. Property Plant & Equipment

G6.1 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:

Property, Plant & Equipment	31 March 2024	31 March 2023
	£000	£000
Infrastructure Assets	88,508	89,958
Other PPE Assets	275,672	270,516
Net Book Value	364,180	360,474

G6.2 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:

Property, Plant & Equipment (Excluding Infrastructure)	31 March 2024	31 March 2023
	£000	£000
Gross Carrying Amount	295,542	288,004
Accumulated Depreciation	(19,870)	(17,488)
Net Book Value	275,672	270,516

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 2023/2024:

	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 2023	212,898	20,961	106	2,770	51,269	288,004
Adjustment to Balances Brought Forward	0	0	0	3,176	0	3,176
Revised Cost or Valuation as at 1 April 2023	212,898	20,961	106	5,946	51,269	291,180
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
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	228,218	22,926	106	8,583	35,709	295,542

	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 2023	(4,470)	(13,001)	(14)	(3)	0	(17,488)
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	(5,448)	(14,407)	(14)	(1)	0	(19,870)

Movements in 2022/2023:

Property, Plant & Equipment (Excluding Infrastructure)	Operational Assets					Total Property, Plant & Equipment
	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	
	£000	£000	£000	£000	£000	£000
Cost or Valuation as at 1 April 2022	184,878	18,980	106	3,061	14,414	221,439
Appropriations	666	0	0	(190)	(476)	0
Assets reclassified to/from held for sale	(140)	0	0	(80)	0	(220)
Additions	0	1,981	0	0	37,331	39,312
Revaluation increases/(decreases) recognised in the Revaluation Reserve	17,258	0	0	(138)	0	17,120
Revaluation increases/(decreases) recognised in the Provision of Services	9,173	0	0	117	0	9,290
Capital expenditure written off	(5,355)	(612)	0	0	0	(5,967)
Other movements in cost or valuation	6,418	612	0	0	0	7,030
Cost or Valuation as at 31 March 2023	212,898	20,961	106	2,770	51,269	288,004

Property, Plant & Equipment (Excluding Infrastructure): Depreciation & Impairment	Operational Assets					Total Property, Plant & Equipment
	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	
	£000	£000	£000	£000	£000	£000
Accumulated Depreciation & Impairment as at 1 April 2022	(5,440)	(11,646)	(14)	(15)	0	(17,115)
Depreciation Charge & Appropriations	(5,483)	(1,332)	0	12	0	(6,803)
Depreciation written out to the Revaluation Reserve	2,883	0	0	0	0	2,883
Depreciation written out to the Surplus/Deficit on the Provision of Services	3,580	0	0	0	0	3,580
Derecognition - disposals	(10)	(23)	0	0	0	(33)
Accumulated Depreciation & Impairment as at 31 March 2023	(4,470)	(13,001)	(14)	(3)	0	(17,488)

G7. Provisions

Details of the purposes of the Authority's provisions can be found in note 35.1. Movements in the Group provisions during 2023/2024 were as follows:

Provision Movements	Balance at 31 March 2023 £000	Balance at 1 April 2023 (Restated) £000	Amounts Used £000	Unused Amounts Reversed £000	Unwinding of Discount £000	Additional Provisions Made £000	Reclassification of Provision £000	Balance at 31 March 2024 £000
Current Provisions								
Employee Provisions:								
Parent's Employee Provisions	(2)	(2)	2	0	0	(232)	0	(232)
Other Provisions:								
Parent's Other Provisions	(1,106)	(1,323)	332	788	0	(362)	(139)	(704)
Silent Valley Provisions	(368)	(368)	0	368	0	0	0	0
	(1,476)	(1,693)	334	1,156	0	(594)	(139)	(936)
Non-Current Provisions								
Employee Provisions:								
Parent's Employee Provisions	0	0	0	0	0	(1,390)	0	(1,390)
Other Provisions:								
Parent's Other Provisions	(2,062)	(5,021)	118	870	(171)	(1,968)	139	(6,033)
Silent Valley Provisions	(1,435)	(1,435)	0	1,435	0	0	0	0
	(3,497)	(6,456)	118	2,305	(171)	(3,358)	139	(7,423)
Total Provisions:	(4,973)	(8,149)	452	3,461	(171)	(3,952)	0	(8,359)

Silent Valley Waste Services Ltd. held a provision for Aftercare to provide for estimated costs of maintaining the landfill site after capping works had been completed, to be utilised over a period of 60 years following closure of the site. Due to the timescales involved there are inherent uncertainties regarding the level and value of aftercare works required. This provision was transferred to Blaenau Gwent CBC in May 2023.

Provision balances have been restated at 1 April 2023 to recognise the parent authority's liabilities in respect of Leachate management at the Silent Valley Waste Site.

G8. Post-Employment Benefits

Retirement benefits are offered to the Group's employees which, although not actually payable until employees retire, represent a commitment by the Group 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 Group participated in three formal schemes: an independently administered defined contribution scheme for employees of Silent Valley Waste Services Ltd., the Teachers' Pension Scheme administered by Capita Teachers' Pensions and the Local Government Pension Scheme administered by Torfaen CBC.

G8.1 Defined Contribution Schemes

Silent Valley

A defined contribution scheme was established by the Company in November 1995. The assets of the scheme were held separately from the Company in independently administered funds. Employer contributions to this fund were at a rate of between 6% and 12% of members' pensionable earnings.

When Silent Valley Waste Services Ltd. ceased trading and operations transferred to Blaenau Gwent CBC, members of the Silent Valley Defined Contribution Scheme were given the option to defer their benefits or transfer into the Local Government Pension Scheme.

Teachers' Pension Scheme

Teachers employed by Blaenau Gwent CBC are members of the Teachers' Pension Scheme administered by Capita Teachers' Pensions.

Further details of this Scheme and the Authority's contributions can be found in the notes to the Single Entity Core Statements (*notes 39 & 40*).

G8.2 Defined Benefit Scheme

The Local Government Scheme is a funded defined benefit Career Average Revalued Earnings (CARE) scheme, in which the Group 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 review being 31 March 2022.

Further information can be found in the Greater Gwent (Torfaen) Pension Fund's Annual Report which is available upon request from the Chief Financial Officer, Torfaen County Borough Council, Civic Centre, Pontypool, NP4 6YB.

The cost of retirement benefits are recognised in the 'Net Cost of Services' section of the Group Comprehensive Income & Expenditure Statement when those benefits are earned by employees, rather than when the benefits are actually paid as pensions.

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

	2023/2024			2022/2023		
	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000
Group Pension Scheme Transactions						
Group Comprehensive Income & Expenditure Statement:						
Cost of Services:						
Current Service Costs	11,625	0	11,625	26,414	0	26,414
Past Service Costs, Curtailments and Administration Costs	547	0	547	434	0	434
Total Service Cost:	12,172	0	12,172	26,848	0	26,848
Financing and Investment Income and Expenditure:						
Interest on Plan Assets	(21,772)	0	(21,772)	(12,571)	0	(12,571)
Interest on Defined Benefit Liabilities	23,993	1,173	25,166	19,775	856	20,631
Net Interest:	2,221	1,173	3,394	7,204	856	8,060
Total Charged to the Surplus/Deficit on Provision of Services:	14,393	1,173	15,566	34,052	856	34,908
Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement:						
Return on plan assets (excluding amounts included in Net Interest)	(36,750)	0	(36,750)	21,563	0	21,563
Actuarial (Gains)/Losses arising from changes in demographic assumptions	(3,321)	(213)	(3,534)	(4,579)	(498)	(5,077)
Actuarial (Gains)/Losses arising from changes in financial assumptions	(29,797)	(703)	(30,500)	(269,114)	(6,479)	(275,593)
Experience (Gains)/Losses on defined benefit liabilities	15,743	2,851	18,594	20,003	1,032	21,035
Effect of Asset Ceiling	80,550	0	80,550	0	0	0
Total remeasurement recognised in Other Comprehensive Income & Expenditure	26,425	1,935	28,360	(232,127)	(5,945)	(238,072)
Total Charged to the Group Comprehensive Income & Expenditure Statement:	40,818	3,108	43,926	(198,075)	(5,089)	(203,164)

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

	2023/2024			2022/2023		
	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000	Local Government Pension Scheme £000	Teachers' Unfunded Discretionary Pensions £000	Total £000
Pension Scheme Assets						
Balance at 1 April:	459,110	0	459,110	467,693	0	467,693
Employer Contributions	15,860	2,050	17,910	14,230	1,781	16,011
Member Contributions	3,615	0	3,615	3,502	0	3,502
Benefits Paid	(20,547)	(2,050)	(22,597)	(17,209)	(1,781)	(18,990)
Interest on Plan Assets	21,772	0	21,772	12,628	0	12,628
Remeasurement Gains/(Losses):						
Return on Plan Assets (excluding amounts included in Interest)	36,750	0	36,750	(21,734)	0	(21,734)
Effect of Asset Ceiling	(10,432)	0	(10,432)	0	0	0
Balance at 31 March:	506,128	0	506,128	459,110	0	459,110
Reconciliation of the Movements in Present Value of Scheme Liabilities						
	£000	£000	£000	£000	£000	£000
Balance at 1 April:	(507,614)	(25,715)	(533,329)	(728,502)	(32,585)	(761,087)
Current Service Cost	(11,625)	0	(11,625)	(26,414)	0	(26,414)
Past Service Cost and Curtailments	(249)	0	(249)	(158)	0	(158)
Administration Expenses	(298)	0	(298)	(276)	0	(276)
Interest Cost	(23,993)	(1,173)	(25,166)	(19,832)	(856)	(20,688)
Member Contributions	(3,729)	0	(3,729)	(3,502)	0	(3,502)
Benefits Paid	20,547	2,050	22,597	17,209	1,781	18,990
Experience Gains/(Losses)	(15,743)	(2,851)	(18,594)	(20,375)	(1,032)	(21,407)
Actuarial Gains/(Losses) arising from changes in demographic assumptions	3,321	213	3,534	4,579	498	5,077
Actuarial Gains/(Losses) arising from changes in financial assumptions	29,797	703	30,500	269,657	6,479	276,136
Effect of Asset Ceiling (Recognition of agreed past service contributions)	(70,118)	0	(70,118)	0	0	0
Balance at 31 March:	(579,704)	(26,773)	(606,477)	(507,614)	(25,715)	(533,329)

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

Pension Assets & Liabilities Recognised in the Balance Sheet	31 March 2024			31 March 2023		
	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	506,128	0	506,128	459,110	0	459,110
Present Value of Scheme Liabilities	(579,704)	(26,773)	(606,477)	(507,614)	(25,715)	(533,329)
Net Liability:	(73,576)	(26,773)	(100,349)	(48,504)	(25,715)	(74,219)

Entries are included in the Group Balance Sheet for the Group'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 Group has in the long term to pay retirement benefits.

The Group holds total usable reserves of £62.888m at 31 March 2024 (£62.571m at 31 March 2023). The effect of applying the net superannuation fund deficit of £100.349m to the Group's usable reserves would be a deficit of £37.461m (2022/2023: the superannuation deficit of £74.219m exceeded usable reserves by £11.648m). Further information regarding the treatment of this deficit can be found in note 40.

G9. Reserves

The Silent Valley Profit & Loss Reserve represents the balance of accumulated profit made on trading activities. The transactions and balances on this reserve in the Group Accounts have been adjusted to remove the profit element relating to the Parent. Movements on the Group Usable Reserves were as follows:

Summary: Group Usable Reserves	1 April 2022	Net Transfers 2022/2023	31 March 2023	Net Transfers 2023/2024	31 March 2024
	£000	£000	£000	£000	£000
Council Fund	(12,815)	34	(12,781)	(291)	(13,072)
Silent Valley Profit & Loss Reserve	(1,797)	(213)	(2,010)	1,986	(24)
Parent's Usable Earmarked Reserves	(72,212)	24,432	(47,780)	(2,012)	(49,792)
Total: Usable Reserves	(86,824)	24,253	(62,571)	(317)	(62,888)

Group Unusable Reserves include amounts held by Blaenau Gwent CBC and Bedwellty House and Park Charitable Trust. Silent Valley Waste Services Ltd. held no reserves that are classed as 'Unusable'.

Unusable Group Reserves	2023/2024 £000	2022/2023 £000
Capital Adjustment Account	(99,995)	(134,560)
Revaluation Reserve	(69,457)	(51,335)
Financial Instruments Adjustment Account	3,214	3,359
Deferred Capital Receipts Reserve	(24,567)	(3,151)
Pensions Reserve	99,215	73,222
Accumulated Absences Account	2,178	2,122
Total Unusable Group Reserves:	(89,412)	(110,343)

Group Cash Flow Notes

G10. 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.

G10.1 Non-Cash Movements

Cash Flow - Adjustments for Non-Cash Movements	2023/2024 £000	2022/2023 £000
Depreciation, Revaluation & Impairment	9,532	(978)
REFCUS (deferred charges)	7,116	4,513
Change in the Fair Value of Investment Properties	82	0
Effective interest adjustment	9	48
Soft loan adjustment	(97)	950
Short Term Compensated Absences	0	(704)
Net IAS19 charges made for Retirement Benefits	15,566	34,721
IAS19 Employers Contributions Paid to Pension Fund	(17,933)	(15,771)
Write Down Donated Assets Account	(628)	0
	13,647	22,779
Increase/(Decrease) in Provisions	2,013	78
(Increase) / Decrease in Inventories	609	1,421
(Increase) / Decrease in Revenue Debtors	(3,912)	(2,215)
Increase / (Decrease) in Revenue Creditors	(1,252)	(4,142)
Total	11,105	17,921

G10.2 Receipts or Payments of Interest included in Operating Activities

Cash Flow - Interest included in Operating Activities	2023/2024 £000	2022/2023 £000
Interest Received	(2,507)	(1,732)
Interest Paid	5,788	3,703
Net Total	3,281	1,971

G11. Analysis of the Amounts of Major Classes of Gross Cash Receipts and Gross Cash Payments*Investing Activities*

The cash flows for investing activities consist of the following:

Cash Flow - Investing Activities	2023/2024 £000	2022/2023 £000
Cash Outflows		
Purchase of Non-Current Assets	(57,924)	(51,305)
Other Capital Cash Payments	(31)	(12,065)
	(57,955)	(63,370)
Cash Inflows		
Sale of Non-Current Assets	494	457
Capital Grants Received	29,508	15,352
Proceeds from Short and Long Term Investments	10,665	21,000
	40,667	36,809
Total	(17,288)	(26,561)

G12. Cash and Cash Equivalents

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

Cash and Cash Equivalents	2023/2024 £000	2022/2023 £000
Cash Held by the Authority	53	53
Bank Accounts	(4,563)	684
Short-term investments	22,500	54,000
Total Cash & Cash Equivalents	17,990	54,737



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Blaenau Gwent

County Borough Council