

## Council

You are hereby summoned to attend an Extraordinary Meeting of the **Council of the City and County of Swansea** to be held Remotely via Microsoft Teams on Thursday, 20 March 2025 at 5.00 pm.

**Watch Online:** <http://tiny.cc/ExtraordinaryCouncil20-3>

The following business is proposed to be transacted:

1. **Apologies for Absence.**
2. **Disclosures of Personal and Prejudicial Interests.**  
[www.swansea.gov.uk/disclosuresofinterests](http://www.swansea.gov.uk/disclosuresofinterests)
3. **Announcements of the Presiding Member.**
4. **Announcements of the Leader of the Council.**
5. **Public Questions.**  
Questions can be submitted in writing to Democratic Services [democracy@swansea.gov.uk](mailto:democracy@swansea.gov.uk) up until noon on the working day prior to the meeting. Written questions take precedence. Public may attend and ask questions in person if time allows. Questions must relate to items on the open part of the agenda and will be dealt within a 10 minute period.
6. **Report of Audit Wales - Audit of Accounts Report - City & County of Swansea.** 1 - 25
7. **Statement of Accounts 2023/24.** 26 - 230
8. **Schools Admission Arrangements 2026-2027.** 231 - 265

**Webcasting:** This meeting may be filmed for live or subsequent broadcast via the Council's Internet Site. By participating you are consenting to be filmed and the possible use of those images and sound recordings for webcasting and / or training purposes.

**You are welcome to speak Welsh in the meeting.**

Please inform us by noon, two working days before the meeting.

**Next Meeting:** Thursday, 1 May 2025 at 5.00 pm

*Huw Evans*

**Huw Evans  
Head of Democratic Services  
Guildhall,  
Swansea.**

**Wednesday, 12 March 2025**

**To: All Members of the Council**



## Audit of Accounts Report – City and County of Swansea

Audit year: 2023-24

Date issued: February 2025

Document reference: 4747A2025



This document has been prepared as part of work performed in accordance with statutory functions. Further information can be found in our [Statement of Responsibilities](#).

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities each with their own legal functions as described above. Audit Wales is not a legal entity and itself does not have any functions.

No responsibility is taken by the Auditor General, the staff of the Wales Audit Office or, where applicable, the appointed auditor in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 Code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales, the Wales Audit Office and, where applicable, the appointed auditor are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at [infoofficer@audit.wales](mailto:infoofficer@audit.wales).

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document is also available in Welsh.

# About Audit Wales

## Our aims and ambitions

### Assure



the people of Wales that public money is well managed

### Explain



how public money is being used to meet people's needs

### Inspire



and empower the Welsh public sector to improve



Fully exploit our unique perspective, expertise and depth of insight



Strengthen our position as an authoritative, trusted and independent voice



Increase our visibility, influence and relevance



Be a model organisation for the public sector in Wales and beyond

# Contents

|  |    |
|--|----|
| Introduction                             | 5  |
| Your audit at a glance                   | 6  |
| Detailed report                          |    |
| Financial statements' materiality        | 7  |
| Ethical compliance                       | 8  |
| Proposed audit opinion                   | 9  |
| Issues arising during the audit          | 10 |
| Recommendations                          | 12 |
| Appendices                               |    |
| Appendix 1 – Proposed audit report       | 13 |
| Appendix 2 – Letter of representation    | 18 |
| Appendix 3 – Summary of corrections made | 21 |
| Audit quality                            | 23 |
| Supporting you                           | 24 |

# Introduction

I have now largely completed my audit in line with my Detailed Audit Plan 2024 dated September 2024.

This Audit of Accounts Report summarises the main findings from my audit of your 2023-24 accounts. My team have already discussed these issues with the Director of Finance.

I am very grateful to your officers for their support in undertaking this audit.



**Adrian Crompton**  
Auditor General for  
Wales

# Your audit at a glance



## Audit opinions

We are proposing to give an unqualified opinion on the accounts.

We have nothing to report under the other sections of my report, i.e. those relating to going concern; other information; other matters; or matters I report by exception.



## Significant issues

There are uncorrected misstatements of £1.6 million in the Group accounts. This does not have an impact on our proposed audit opinion.



# Financial statements' materiality



## Materiality £11.7 million

My aim is to identify and correct material misstatements, i.e. those that might otherwise cause the user of the accounts to be misled.

Materiality is calculated using:

- 2023-24 gross expenditure of £1,169 million
- Materiality percentage of 1%

I apply the materiality percentage to gross expenditure to calculate materiality.

I will report to you any misstatements above £585,000, calculated as 5% of materiality (called the 'trivial level').



## Areas of specific interest

There are some areas of the accounts that may be of more importance to the user of the accounts. We set lower materiality levels for these as follows:

- Senior Officer Remuneration £1,000
- Related party disclosures £10,000 (for disclosures relating to individual members or officers)

# Ethical compliance



## Compliance with ethical standards

We confirm that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

# Proposed audit opinion



## Audit opinion

We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit report is set out in **Appendix 1**.



## Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is specified as being necessary by auditing standards; other information may relate specifically to your audit.

The letter we are requesting you to sign is included in **Appendix 2**.

# Issues arising during the audit



## Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

### Uncorrected misstatements

During our audit, one misstatement was identified in the accounts which has been discussed with management but remains uncorrected as management have chosen not to adjust. We request that this misstatement be corrected.

If you decide not to correct these misstatements, we ask that you provide us with the reasons in writing for not correcting the accounts.

### Group Balance Sheet

The Group's investment in associates and joint ventures includes £8,606,000 in respect of the National Waterfront Museum. The Museum was valued on a depreciated replacement cost (DRC) basis as at 31 March 2021. However, this valuation has not subsequently been reviewed to confirm that it remains materially correct as at 31 March 2024. The Council has estimated that the valuation is understated by approximately £1.6 million if the valuation is uplifted on the same basis as other assets valued on a DRC basis i.e. by the movement in the BCIS (Building Cost Information Service) index. There is a corresponding understatement of the Group's general fund balance and to the Group Account Disclosures in Note 30.

The misstatement is not considered material to the accounts and the Council will review the valuation of the National Waterfront Museum within the 2024-25 financial statements.

### Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in **Appendix 3**.



## Other significant issues

In the addition to misstatements identified during the audit we also report other significant issues to you.

There were no such issues identified during the audit.

# Recommendations

Following the audit certification by the Auditor General, we will continue to work with the Authority's finance team to further improve the accounts production process for 2024-25. There are no issues or recommendations that are sufficiently significant to warrant bringing to your attention.

# Appendix 1

## Proposed audit report

### The report of the Auditor General for Wales to the members of City & County of Swansea

#### Opinion on financial statements

I have audited the financial statements of:

- City & County of Swansea; and
- City & County of Swansea Group

for the year ended 31 March 2024 under the Public Audit (Wales) Act 2004.

The City & County of Swansea's financial statements comprise the Expenditure and Funding Analysis, the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Movement on the Housing Revenue Account Statement, the Housing Revenue Account Income and Expenditure Statement and the related notes, including material accounting policies.

The City & County of Swansea'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 2023-24.

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

- give a true and fair view of the financial position of the City & County of Swansea and the City & County of Swansea 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 2023-24.

#### 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 of Public Sector Entities 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 City & County of Swansea 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 City & County of Swansea and the Group's ability to continue to adopt the going concern basis of accounting for a period of at least 12 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 2023-24;
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.



## **Matters on which I report by exception**

In the light of the knowledge and understanding of the City & County of Swansea and the Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

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 19, the responsible financial officer is responsible for:

- the preparation of the statement of accounts and the 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 City & County of Swansea and the 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 City & County of Swansea and the 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, the City & County of Swansea's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the City & County of Swansea and the 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 posting of unusual journals.
- obtaining an understanding of the City & County of Swansea and the Group's framework of authority as well as other legal and regulatory frameworks that the City & County of Swansea and the Group operate in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the City & County of Swansea and the Group.
- 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; and
- 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 City & County of Swansea and the 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](http://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 the City & County of Swansea and the 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  
25 March 2025

1 Capital Quarter  
Tyndall Street  
Cardiff  
CF10 4BZ

# Appendix 2

## Letter of representation

### Audited body's letterhead

Auditor General for Wales  
Wales Audit Office  
Capital Quarter  
Tyndall Street  
Cardiff  
CF10 4BZ

20 March 2025

## Representations regarding the 2023-24 financial statements

This letter is provided in connection with your audit of the financial statements of City & County of Swansea for the year ended 31 March 2024 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

## Management representations

### Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom UK 2023-24; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

## Information provided

We have provided you with:

- full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;

- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects the Council and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements; and
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

## Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in aggregate, to the financial statements taken as a whole. The unadjusted misstatement is set out below:

- The Group's investment in associates and joint ventures includes £8,606,000 in respect of the National Waterfront Museum. The Museum was valued on a depreciated replacement cost (DRC) basis as at 31 March 2021. However, this valuation has not subsequently been reviewed to confirm that it remains materially correct as at 31 March 2024. The Council has estimated that the valuation is understated by approximately £1.6 million if the valuation is uplifted on the same basis as other assets valued on a DRC basis i.e by the movement in BCIS (Building Cost Information Service) index. There is a corresponding understatement of the Group's general fund balance and to the Group Account Disclosures in Note 30.

The misstatement is not considered material to the accounts and the Council will review the valuation of the National Waterfront Museum within the 2024-25 financial statements.

## Representations by those charged with governance

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for ensuring that the Council maintains adequate accounting records.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by Members of the City & County of Swansea on XX March 2025.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Signed by:

Ben Smith  
Director of Finance and S151 Officer

Rob Stewart  
Leader of the Council

Date: 20 March 2025

Date: 20 March 2025

# Appendix 3

## Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

| Value of correction | Accounts areas  | Explanation  |
|---------------------|---|--|
| £9,038,000          | <b>Note 14 – Capital commitments</b><br>Capital commitments relating to Castle Square regeneration were disclosed, although there is not a contractual liability relating to this scheme.   | To correctly disclose the Council's capital commitments.                                       |
| £2,785              | <b>Note 27a – Officers' remuneration</b><br>The remuneration disclosed for the Chief Executive omitted some employer pension contributions for 2023-24 which were not paid until 2024-25.   | To correctly disclose the remuneration of the Chief Executive.                                 |
| £1,095              | <b>Note 27a – Officers' remuneration</b><br>The remuneration disclosed for the Interim Director of Corporate Services was understated due to an incorrect deduction for a 2022-23 accrual.  | To correctly disclose the remuneration of the Interim Director of Corporate Services.          |
| Disclosure only     | <b>Note 27a – Officers' remuneration</b><br>The full time equivalent remuneration for the Interim Director of Corporate Services exceeded £150,000 but the Interim Director of Corporate Services was not named as required by the Accounts and Audit (Wales) Regulations 2014. | To comply with the disclosure requirements of the Accounts and Audit (Wales) Regulations 2014. |
| Disclosure only     | <b>Note 27b – Remuneration bands</b><br>The number of employees included in the remuneration bandings included senior officers who should have been excluded.   | To correctly disclose the number of employees whose remuneration exceeded £60,000.             |

| Value of correction | Accounts areas  | Explanation  |
|---------------------|---|--|
| £417,000            | <p><b>Note 29 – Related parties</b><br/> Related party transactions with Swansea Business Improvements Ltd were not disclosed in the draft accounts.</p>  | To disclose all related party transactions.  |
| £986,000            | <p><b>Note 35 – Defined benefit pension scheme</b><br/> Private equity scheme asset valuations were updated with actuals rather than estimated valuations after the draft accounts were prepared with a corresponding increase in the Council's fair value of scheme assets.</p>  | To correctly disclose the Council's fair share of pension scheme assets.   |
| Disclosure only     | <p><b>Note 35 – Defined benefit pension scheme</b><br/> The accounting treatment of material special events were not disclosed in relation to:</p> <ul style="list-style-type: none"> <li>• Surplus recognition</li> <li>• Guaranteed Minimum pension (GMPs): indexation and equalisation</li> <li>• McCloud judgement</li> <li>• Virgin media judgement</li> </ul> | To disclose the accounting treatment of material special events highlighted by the Council's consulting actuary. |
| £2,723,000          | <p><b>Note 40: Leasing</b><br/> The income the Council was committed to receive under operating leases was calculated by rounding the outstanding lease term to years rather than using the actual lease days outstanding.</p>  | To correctly disclose the income the Council was committed to receive under operating leases.                    |
| N/A                 | A small number of other narrative, presentational and minor amendments were made to supporting notes.   | To ensure that all disclosures are accurately presented.   |



# Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by QAD\*, and our Chair acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2023](#).

## Our People



The first line of assurance is formed by our staff and management who are individually and collectively responsible for achieving the standards of audit quality to which we aspire.

- Selection of right team
- Use of specialists
- Supervisions and review

## Arrangements for achieving audit quality



The second line of assurance is formed by the policies, tools, learning & development, guidance, and leadership we provide to our staff to support them in achieving those standards of audit quality.

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support

## Independent assurance



The third line of assurance is formed by those activities that provide independent assurance over the effectiveness of the first two lines of assurance.






- EQCRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

\* QAD is the quality monitoring arm of ICAEW.

# Supporting you

Audit Wales has developed a range of resources to support the scrutiny of Welsh public bodies and to support those bodies in continuing to improve the services they provide to the people of Wales.

## Visit our website to find

|   |  |
|---|--|
|    | our <a href="#">Good Practice</a> work where we share emerging practice and insights from our audit work in support of our objectives to assure, to explain and to inspire.                                |
|    | our <a href="#">newsletter</a> which provides you with regular updates on our public service audit work, good practice, and events.  |
|  | our <a href="#">publications</a> which cover our audit work completed at public bodies.  |
|  | information on our <a href="#">forward performance audit work programme 2023-2026</a> which is shaped by stakeholder engagement activity and our picture of public services analysis.                      |
|  | various <a href="#">data tools</a> and <a href="#">infographics</a> to help you better understand public spending trends including a range of other insights into the scrutiny of public service delivery. |

You can find out more about Audit Wales in our [Annual Plan 2024-25](#) and [Our Strategy 2022-27](#).



Audit Wales

1 Capital Quarter

Tyndall Street

Cardiff CF10 4BZ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

We welcome correspondence and telephone calls in Welsh and English.  
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

# Agenda Item 7.



## Report of the Section 151 Officer

Extraordinary Council – 20 March 2025

### Statement of Accounts 2023/24

|                                    |  |
|------------------------------------|--|
| <b>Purpose:</b>                    | The Council is required to approve the 2023/24 accounts on or before 31 <sup>st</sup> July 2024.             |
| <b>Policy Framework:</b>           | Budget and Accounts 2023/24.   |
| <b>Consultation:</b>               | Legal, Finance and Access to Services.   |
| <b>Recommendation(s):</b>          | It is recommended that:<br><br>1) Council approves the 2023/24 Statement of Accounts attached at Appendix A. |
| <b>Report Author:</b>              | Amanda Thomas  |
| <b>Finance Officer:</b>            | Ben Smith  |
| <b>Legal Officer:</b>              | Debbie Smith   |
| <b>Access to Services Officer:</b> | Catherine Window   |

#### 1.0 Introduction

1.1 The Statement of Accounts for the year 2023/24 is attached in Appendix A and is recommended to Council for approval.

#### 2.0 Timetable for completion and audit of the 2023/24 accounts

2.1 The key dates in relation to the 2023/24 accounts process are as follows:-

|                             |  |
|-----------------------------|--|
| 31 <sup>st</sup> July 2024  | Statutory date for the completion of the external audit of the Statement of Accounts.  |
| 9 <sup>th</sup> August 2024 | The draft Statement of Accounts was completed and certified by the Section 151 Officer in line with the requirements of the Accounts and Audit |

|                                |   |
|--------------------------------|---|
|                                | Regulations.  |
| 4 <sup>th</sup> September 2024 | Governance and Audit Committee has reviewed the draft Statement of Accounts.                    |
| 5 <sup>th</sup> March 2025     | Governance and Audit Committee has reviewed the Statement of Accounts and the Auditor's report. |
| 20 <sup>th</sup> March 2025    | Council is asked to formally approve the 2023/24 Statement of Accounts.                         |

### **3. Changes to the format and content of the Statement of Accounts**

- 3.1 The 2023/24 Statement of Accounts has been prepared using the new Oracle Fusion financial system that was implemented in April 2023. All the financial reports that produce the Statement of Accounts have been rewritten so that they work on the new financial system.
- 3.2 During 2023/24 the Council has streamlined the presentation of the Revaluation Reserve, Plant and Equipment note and the Fair Value Hierarchy note in line with a newly implemented CIPFA asset management accounting system and in continued accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom. The 2022/23 figures within these notes have been restated to reflect the changes.
- 3.3 The Revaluation Reserve has also been restated in 2022/23 to adjust the movement between upward and downward revaluations relating to prior period adjustments made in 2022/23.
- 3.4 Revenue from contracts with service recipients is recognised in line with the five-step model outlined in IFRS 15 – Revenue from Contracts with Customers. To help users of the accounts understand more about the income received an additional table has been included in Note 7b Segmental Income to provide a breakdown of service recipient income across directorates of the Council.

### **4.0 Financial Implications**

- 4.1 There are no direct financial implications arising from this report.

### **5.0 Legal Implications**

- 5.1 There are no legal implications associated with this report.

### **6. Integrated Assessment Implications**

- 6.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations

(Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language.
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

The Well-being of Future Generations (Wales) Act 2005 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

Our integrated Impact Assessment process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

- 6.2 It is essential where service levels are affected by changes to the Revenue budgets (including savings options) that the IIA process (alongside consultation and engagement as appropriate) is applied to ensure due regard is paid to the potential equality impacts of any proposals prior to decision making. An IIA has been undertaken on this report. This report outlines the statement of accounts and there are no implications to consider at this time.

**Background Papers:** None.

**Appendices:**

Appendix 'A' – Statement of Accounts 2023/24.

Appendix 'B' – IIA Screening form.

# Statement of Accounts 2023/24



## Contents

|   |     |
|---|-----|
| Introduction  | 4   |
| Narrative Report  | 5   |
| Director of Finance & Section 151 Officer's Certificate and Statement of Responsibilities for the Statement of Accounts | 19  |
| Auditor's Report to the City and County of Swansea  | 20  |
| Expenditure and Funding Analysis  | 24  |
| Comprehensive Income and Expenditure Statement  | 26  |
| Group Income and Expenditure Statement  | 27  |
| Movement in Reserves Statement  | 29  |
| Group Movement in Reserves Statement  | 32  |
| Balance Sheet   | 34  |
| Group Balance Sheet   | 36  |
| Cash Flow Statement   | 38  |
| Group Cash Flow Statement   | 39  |
| Notes to the Accounts:  |     |
| 1. Accounting policies  | 40  |
| 2. Accounting standards that have been issued but have not yet been adopted   | 62  |
| 3. Critical judgements in applying accounting policies  | 64  |
| 4. Assumptions made about the future and other sources of estimation uncertainty  | 65  |
| 5. Material items of income and expense   | 69  |
| 6. Note to the expenditure and funding analysis   | 69  |
| 7a. Expenditure and income analysed by nature   | 73  |
| 7b. Segmental income  | 73  |
| 8. Adjustments between accounting basis and funding basis under regulations   | 74  |
| 9. Events after the Balance Sheet date  | 77  |
| 10. Movements in earmarked reserves   | 78  |
| 11. Other operating expenditure   | 79  |
| 12. Financing and investment income and expenditure   | 79  |
| 13. Taxation and non specific grant income  | 79  |
| 14. Property, plant and equipment   | 80  |
| 15. Heritage assets   | 89  |
| 16. Investment properties   | 90  |
| 17. Financial instruments   | 93  |
| 18. Short term debtors  | 98  |
| 19. Cash and cash equivalents   | 98  |
| 20. Short term creditors  | 98  |
| 21. Provisions  | 99  |
| 22. Unusable reserves   | 100 |
| 23. Cash Flow Statement - operating activities  | 105 |
| 24. Reconciliation of liabilities arising from financing activities   | 106 |
| 25. Trading operations  | 107 |
| 26. Members' allowances   | 107 |



## Contents

|   |     |
|---|-----|
| 27. Officers' remuneration  | 108 |
| 28. Grant income  | 116 |
| 29. Related parties   | 118 |
| 30. Group accounts  | 124 |
| 31. Agency services   | 125 |
| 32. Capital expenditure and capital financing                     | 131 |
| 33. Termination benefits  | 132 |
| 34. Pension schemes accounted for as defined contribution schemes | 132 |
| 35. Defined benefit pension schemes                               | 133 |
| 36. Contingent liabilities  | 142 |
| 37. Council tax   | 144 |
| 38. Non-Domestic Rates (NDR)                                      | 145 |
| 39. Nature and extent of risks arising from financial instruments | 145 |
| 40. Leasing   | 150 |
| Housing Revenue Account Income and Expenditure Statement          | 151 |
| Movement on the Housing Revenue Account Statement                 | 152 |
| Notes to the Housing Revenue Account:                             |     |
| 1. Housing stock  | 153 |
| 2. Capital expenditure  | 153 |
| 3. Depreciation charges and impairment                            | 154 |
| Annual Governance Statement 2023/24                               | 155 |
| Glossary of terms   | 194 |

## Introduction



Swansea Council is located on the South Wales coast and is one of twenty two current unitary local authorities providing local government services in Wales.

The area of the Council includes the Gower peninsula, designated as Britain's first area of outstanding natural beauty.

Approximately 241,300 people live within the boundaries of the Council of which:

- 41,200 are aged under 16
- 46,900 are of pensionable age (aged 66 and over)
- 13,700 are aged 80 years and over



The County has a mixed agricultural and industrial economy. The City sits at the mouth of the River Tawe, from which its Welsh name, Abertawe, derives.

This Statement of Accounts is one of a number of publications, which include the revenue and capital budgets, produced to comply with the law and designed to provide information about the Council's financial affairs.

Copies of these accounts can be obtained from:

Director of Finance & Section 151 Officer  
Swansea Council  
Guildhall  
Swansea  
SA1 4PE

## Narrative Report

### Services

The Council provides a range of services, supporting local communities and improving the lives of local people, some of which are shown below.

|   |  |
|---|--|
| <b>Corporate Services</b>                                 | <b>Finance</b>                         |
| Corporate Management Team Support                         | Financial Strategy                     |
| Corporate Communications and Marketing                    | Accountancy Services                   |
| Design Print Unit   | Internal Audit                         |
| Corporate Customer Services Unit                          | Housing Benefits                       |
| Overview & Scrutiny function                              | Council Tax                            |
| Democracy, Member and Mayoral Services                    | Business Rates                         |
| Web Development   | Procurement & Commercial activities    |
| Performance & Delivery function                           |  |
| Legal Services  |  |
| Coroners Service  |  |
| Human Resources & Organisational Development              |  |
| Emergency Management Services Unit                        |  |
| Digital Services & Transformation                         |  |
| <b>Social Services</b>                                    | <b>Education</b>                       |
| Child Protection and Family Support                       | Primary, Secondary and Special Schools |
| Support to enable vulnerable people to live independently | Education Improvement                  |
| Long-term and short-term residential care                 | School Meals                           |
| Poverty and Prevention                                    | School Transport                       |
| Community Safety  | Special Education Needs                |
| Early Intervention  | Education Planning and Resources       |
| Partnership, Performance & Commissioning                  |  |
| Tackling poverty  |  |
| Lifelong learning and young peoples' services             |  |
| <b>Place</b>  | <b>Housing Revenue Account (HRA)</b>   |
| Waste Management  | Landlord Services                      |
| Refuse Collection & Recycling                             | Strategic Housing                      |
| Street Cleaning   |  |
| Highways  |  |
| Street Lighting   |  |
| Land Drainage & Coast Protection                          |  |
| Road Safety   |  |
| Car Parks   |  |
| Sewerage Services   |  |
| Property and Building Services                            |  |
| Culture, Sport, Leisure and Tourism                       |  |
| Planning and City Regeneration                            |  |
| Public Protection and Housing Services                    |  |
| Bereavement Services                                      |  |

## Narrative Report

### Democracy

The Council had 75 elected councillors for 2023/24 (72 rising to 75 during 2022/23) from a range of political groups who are the Council's decision makers, agreeing policies and spending priorities. Each councillor is elected to represent a specific area (electoral ward). They will act on behalf of that community making decisions about local services, budgets and the overall level of council services.

The Council Constitution is the framework that sets out how the Council operates and how decisions are made together with the procedures which are followed to ensure that decisions and functions are efficient, transparent and accountable to the people of Swansea. The Council annually selects a Lord Mayor to perform a civic role and promote the city. The Council appoints a Leader of the Council who appoints Cabinet Members, each with responsibility for a specific portfolio of services.

The role of Cabinet is to:

- provide leadership,
- be responsible for most major decisions,
- propose the budget framework and subsequent budget.

Scrutiny will act as a 'critical friend' to Cabinet and other decision makers to promote better services, policies and decisions. The role of Scrutiny is to hold the Cabinet members to account, to be the voice of the public and to help drive improvement of the Council's public services.

Regulatory and other committees support the delivery of Council services. The Governance and Audit Committee reviews and scrutinises the Council's financial affairs and makes reports and recommendations in relation to the Council's financial affairs. The Governance and Audit Committee is responsible for reviewing the Statement of Accounts. Council is responsible for approving the Statement of Accounts.

The Corporate Management Team (CMT) is led by the Chief Executive and includes Directors and the Chief Legal Officer (and Monitoring Officer).

The Corporate Management Team are responsible for:

- providing impartial advice on policy to all Members,
- implementing decisions of Cabinet and Council,
- delivery of services and performance.

### Corporate Plan

Swansea Council published its Corporate Plan in 2017 as required by the Well-Being of Future Generations (Wales) Act 2015, which included a summary of its Well-being Statement and key priorities, known as 'Well-being Objectives'.

A new Corporate Plan and updated Well-being Objectives was published for 2023 - 2028.

## Narrative Report

The Council has prioritised six Well-being Objectives.

These are:

- **Safeguarding** people from harm - so that our citizens are free from harm and exploitation.
- Improving **Education & Skills** - so that everyone in Swansea gains the skills and qualifications they need to succeed in life.
- Transforming our **Economy & Infrastructure** - so that Swansea has a thriving mixed use City Centre and a local economy that will support the prosperity of our citizens.
- **Tackling Poverty & Enabling Communities** - so that every person in Swansea can achieve their potential.
- Delivering on **Nature Recovery and Climate Change** - so that we maintain and enhance nature and biodiversity in Swansea, reduce our carbon footprint and tackle climate change.
- **Transformation & Financial Resilience** - so that we and the service that we provide are sustainable and fit for the future.

The 'Tackling Poverty and Enabling Communities' objective was amended to add 'enabling communities' so as to recognise a strengths-based approach where the strengths of individuals, communities and networks can be capitalised upon to help tackle poverty. The 'Transformation and Financial Resilience' objective was renamed to reflect how the Council will need to change to become sustainable and better able to weather global events, leading to increased demand and rising prices at a time when resources are being reduced.

### Corporate Risks

The annual review of Corporate Risks took place as part of Service Planning and the outcome was reviewed by Corporate Management Team (CMT) on 19th June 2024. The Council's Corporate Risks are aligned to the Council's Well-being Objectives. They are those risks that, should they come into effect, would have an impact on the whole of the Council and would have a detrimental impact on the ability of the Council to achieve its priorities and objectives. An Annual Risk Assurance workshop took place with the Council's regulators on 22nd February 2024 where they shared their respective assurances and risks that they perceive around the Council. The Council reviewed its Risk Management Policy and Framework in 2024, which was approved at Cabinet on 18th April 2024. The Council's Corporate Risks will be further reviewed at CMT each quarter and during 2024/25 as part of the implementation of the new framework.

As at the time of writing, the Council's Corporate Risks are:

- Education Offer.
- Safeguarding.
- Financial Control - Budgetary Control, Annual Budget and MTFP Delivery.
- Cyber, data and digital security.
- Emergency Planning, Resilience and Business Continuity.
- Health & Safety.
- Delivering the Regeneration Programme.
- Impact of Poverty.
- Homelessness and Housing Supply.

## Narrative Report

- Workforce recruitment and retention.
- Mandatory training.
- Social Cohesion.
- Net Zero 2030 target.
- Successful and Sustainable Swansea Corporate Transformation Plan.
- Freedom of Information and Subject Access Requests.
- CTU Fleet Management System.
- Connecting Care.
- Oracle Interfaces.
- Development of New Waste Strategy - Transformation Programme.
- Successful Delivery of the Payroll Function.

CMT continue to receive monthly reports on compliance to the Councils Risk Management Framework. The Governance and Audit Committee has continued to receive a quarterly report and overview on the overall status of risk in the Council during 2023/24. This report coincides each quarter with Directors attending the committee on a rotational basis to present on their internal control environment, including risk management.

Internal Audit continue to review the Council's Risk Management arrangements each year in order to provide assurance to the Governance and Audit Committee. The Finance directorate risk management arrangements, with a particular focus on control measures, were reviewed during 2023/24. A 'High' assurance rating was awarded by the review.

### Corporate Performance

This Council reports performance results each quarter and annually, delivering the Council's Well-being Objectives that are described in the Corporate Plan. A new integrated performance report was introduced in 2023/24, which brings together progress meeting the steps in the corporate plan, the success measures, performance data and the corporate risks, with an overall evaluation provided by the Chief Executive, which builds upon assessments for each well-being objective provided by lead directors and heads of service. The outturn for 2023/24 was reported in July 2024, which showed that progress and the majority of measures were on track. A fuller self-assessment of performance is now required under Part 6 of the Local Government & Elections Act 2021. A self-assessment of performance during 2022/23 was published in November 2023 after a wider consultation, scrutiny process and governance and audit review. This assessment concluded that the Council made strong progress meeting its performance duty when working towards meeting its well-being objectives with strong prospects for improvement, except in meeting its Safeguarding and Transformation & Future Council objectives where there were mixed prospects for improvement.



## Narrative Report

### Financial Performance

We incur two main types of expenditure – revenue expenditure and capital expenditure.

**Revenue expenditure** covers spending on the day to day costs of our services such as staff salaries and wages, maintenance of buildings and general supplies and equipment. This expenditure is paid for by the income we receive from Council taxpayers, business ratepayers, the fees and charges made for certain services, and by the grants we receive from Government.

**Capital expenditure** covers spending on assets such as roads, redevelopment and the major renovation of buildings. These assets will provide benefits to the community for several years and the expenditure is largely financed by borrowing, capital grants and the sale of fixed assets. Amounts borrowed for capital purposes are repaid in part each year as part of our revenue expenditure.

Sources of borrowing utilised include the Public Works Loan Board (PWLB) and capital markets. The PWLB is a Government agency which provides longer-term loans to local authorities.

### Authority services

The net directorate expenditure for 2023/24 was £522.789m against a revised budget of £528.717m. The revenue outturn position of the Authority for 2023/24 resulted in a decrease in expenditure on services of £5.928m compared to adjusted budget. That adjusted budget did, however, also include very substantial planned one off uses of reserves, which have now predominantly been able to be deferred for a year, which does therefore quite materially overstate the apparent performance achieved in the very short term. In addition, the revenue outturn position reflects a further £1.652m of one off expenditure on an invest to save basis, that was partly met from the Authority's contingency and restructuring funds primarily to fund early retirement and voluntary redundancy costs as the Authority seeks to reduce its underlying operating costs and adjust to potential future grant levels. Treasury management performance was exceptional (see next page). Consequently the draw from reserves in 2023/24 in isolation was materially lower than expected (by nearly £28m), but nonetheless the Authority did still need to draw from its reserves (over £7m) and separately from schools (over £3m).

## Narrative Report

The underlying spend on Services reflects forecast and known pressures, across all directorates, but especially within Social Services, Place, Education and Schools budgets, which have been partly reflected in 2024/25 budget proposals.

The 2023/24 budget proposals continued to be overtaken to some extent by behavioural changes given the past Covid-19 pandemic. Some savings plans were put on hold temporarily, there has been a spate of very high inflation in 2023/24 which was unfunded, changes to demand patterns and a seeming return of "bottled up" demand pressures, and service income was lower than forecast across many Council functions. For 2023/24 this has again been partly recompensed by some Welsh Government support. Continuation of any support into 2024/25 is now very limited and constrained by overall public funding envelopes. The 2024/25 budgets face significant embedded pay and price inflationary pressures well above budgeted "normal" sums given elevated past inflation is now in those base spending pressures, even though headline inflation rates, as measured and reported, have now fallen materially. The Council has prudently rolled forward service underspending to further pump prime recovery and preventative activity for 2024/25. The longer term financial outlook remains incredibly uncertain for the Council especially given those lingering embedded inflationary pressures, the absence of longer term UK and Welsh Government spending plans and a consensus view that public finances will be very constrained for non prioritised and unprotected areas (i.e. outside of health, schools and defence).

### Other budget variations

Other budget savings during the year arose from reductions in capital repayments and net interest charges (£16.770m). High variable interest rates on investment cash balances have exceptionally boosted performance temporarily. The MRP (Minimum Revenue Provision) Policy was reviewed in 2018/19 and Council approved a change in MRP Policy which helped lower capital repayment charges in the short to medium-term. In line with the Council's agreed reserve policy, the whole capital financing underspend has been transferred to a capital equalisation reserve.

For all supported borrowing, including capital expenditure incurred before 1st April 2008, the charge to revenue will be over 40 years by the straight line method, which is commensurate with the average of existing asset useful economic lives. In essence this replaces the 4% reducing balance method with a 2.5% straight line method. This can be considered a more prudent approach than the current provision because it introduces a more certain period for eliminating the debt liability in full.



### **Housing Revenue Account**

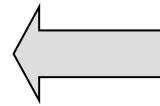
The Housing Revenue Account of the Authority is a ring fenced account dealing exclusively with income and expenditure arising from the Authority's housing stock. For 2023/24 there was a net increase in HRA reserves at year end of £5.890m (2022/23 net increase £5.169m). Total income for the year was £79.099m, which funded revenue expenditure of £44.593m. In addition, this was also used to fund capital charges (£10.140m) and contributed £18.476m towards the capital programme. In total, £37.856m (2022/23 £40.169m) Capital was spent on HRA properties and a breakdown of both Revenue and Capital income and expenditure can be found on pages 151 to 154.

Details of the annual Revenue, HRA and Capital outturn reports can be found on the agenda of the Council's Cabinet for the meeting on 18th July 2024.

## Narrative Report

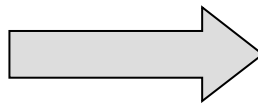
### Revenue spending in 2023/24

|   | £'m            | %          |
|---|----------------|------------|
| Revenue support grant                                   | 339.3          | 33         |
| Non domestic rates                                      | 79.0           | 7          |
| Council tax   | 151.5          | 15         |
| Other income (rents, fees and charges, specific grants) | 465.6          | 45         |
|   | <b>1,035.4</b> | <b>100</b> |



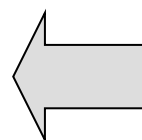
*Where our money comes from*

*What we spend it on*



|                   | £'m            | %          |
|-------------------|----------------|------------|
| Employees         | 433.9          | 42         |
| Capital charges   | 25.1           | 2          |
| Running costs     | 528.4          | 51         |
| Precepts/Levies   | 48.9           | 5          |
| Reserve transfers | -0.9           | 0          |
|                   | <b>1,035.4</b> | <b>100</b> |

|                               | £'m            | %          |
|-------------------------------|----------------|------------|
| Corporate Services            | 29.5           | 3          |
| Finance                       | 74.3           | 7          |
| Social Services               | 251.3          | 24         |
| Education                     | 323.4          | 31         |
| Place                         | 250.0          | 24         |
| Housing Revenue Account (HRA) | 72.1           | 7          |
| Reserve transfers             | -0.9           | 0          |
| Other                         | 35.7           | 4          |
|                               | <b>1,035.4</b> | <b>100</b> |



*And the services it provides*

The reserve transfers of -£0.9m are the revenue reserve transfers in 2023/24 which include the General Fund, Housing Revenue Account and Earmarked Reserves.

### Financial Statements

The main elements of this Statement of Accounts comprise:-

- \* The Expenditure and Funding Analysis, which shows how annual expenditure is used and funded from resources by the Authority in comparison with those resources consumed or earned by the Authority in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's directorates.
- \* The Comprehensive Income and Expenditure Statement, which shows the income from, and spending on, Authority services for the year. It also shows how much money we get from the Welsh Government, business ratepayers and Council taxpayers together with the net deficit/surplus for the year.
- \* The Movement in Reserves Statement, which shows the movement in the year on the different reserves held by the Authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves.
- \* The Balance Sheet, showing a snapshot of the Authority's financial position at the 31st March 2024.
- \* The Cash Flow Statement, which shows transactions for the year on a cash basis rather than on an accruals basis.
- \* The notes to the accounts, incorporating the main accounting policies, which show the basis on which we have prepared the accounts and the accounting principles the Authority has adopted. The notes also offer further analysis of items appearing in the main financial statements.
- \* The Housing Revenue Account (HRA) Income and Expenditure Statement, which shows income from, and spending on, Council housing for the year. This account is stated separately as required by statute although the overall results are incorporated into the Authority's Comprehensive Income and Expenditure Statement.
- \* The Group Accounts, which show the consolidated accounts of the Authority and its group companies.
- \* The Certificate and Statement of Responsibilities of the Chief Finance Officer who is the responsible officer for the production of the statement.
- \* The Annual Governance Statement, which gives an indication of the arrangements for and effectiveness of internal control procedures within the Authority.
- \* The auditor's opinion and certificate relating to the Statement of Accounts.

## Narrative Report

### Capital spending in 2023/24

|                                 | £'000          |
|---------------------------------|----------------|
| External borrowing              | 34,012         |
| Government grants               | 52,586         |
| Other grants/contributions      | 4,966          |
| Capital receipts                | 5,312          |
| Revenue and reserves            | 31,413         |
| Spend to be financed in 2024/25 | 4,830          |
|                                 | <b>133,119</b> |

*Where our money comes from*

*What services we spend it on*

|                    | £'000          |
|--------------------|----------------|
| Corporate Services | 384            |
| Finance            | 0              |
| Place Services     | 125,128        |
| Education          | 6,478          |
| Social Services    | 1,129          |
|                    | <b>133,119</b> |

*Some of the assets it provided*

|   | £'000  |                                    | £'000 |
|---|--------|------------------------------------|-------|
| <b>Education</b>                                      |        | <b>Housing (General Fund)</b>      |       |
| Free School Meals Infrastructure                      | 3,066  | Housing Disabled Facilities Grants | 4,865 |
| Olchfa Comprehensive 3G Pitch                         | 1,251  | <b>Highways and Transportation</b> |       |
| <b>Place Services: Housing (HRA)</b>                  |        | Carriageways & Footways            | 5,969 |
| HRA More Homes programme                              | 5,875  | Local Transport Fund               | 5,027 |
| Kitchens & Bathrooms CBS - Voids                      | 2,078  | Active Travel schemes              | 4,471 |
| HRA Wind & Weatherproofing (includes High-rise flats) | 9,319  | Vehicle replacements               | 579   |
| Internal Adaptation                                   | 2,586  | <b>Other Services</b>              |       |
| <b>Economic Development</b>                           |        | Cefn Hengoed Community Hub         | 3,089 |
| Kingsway Offices & Infrastructure                     | 18,813 | Essential Playground Works         | 1,075 |
| Palace Theatre  | 6,336  | <b>Corporate Services</b>          |       |
| Community Hub Development (previously BHS)            | 4,416  | Data Centre Relocation             | 281   |

### Provisions and Reserves

The Authority maintains a number of provisions and reserves. Provisions are disclosed in Note 21 on pages 99 and 100. The information regarding reserves are disclosed in the Movement in Reserves Statement on pages 29 to 33 and Note 10 on page 78.

Provisions are amounts included in the accounts as liabilities where there has been a past event which is likely to result in a financial liability but where there is uncertainty over timing and the precise value of the liability that has been incurred. It is therefore the Authority's best estimate of the financial liability as at 31st March 2024.

The Council holds Earmarked Reserves for specific purposes, together with a level of General Reserves which are available to support overall Council expenditure. However, due to the nature, size and complexity of the Council's operations, and in particular the potential for short term volatility in terms of elements of income and expenditure, it is prudent to maintain a level of General Reserves sufficient to meet anticipated and known financial risks.

At the end of the year, the Authority's revenue reserve balances amounted to £173.866m (2022/23 £174.729m).

### International Accounting Standard 19 Employee Benefits (IAS 19)

The Accounts comply with the requirements of the above standard in that they reflect in the revenue accounts the current year cost of pension provision to employees as advised by the Authority's actuary. The Statements also contain, within the Balance Sheet, the actuary's assessment of the Authority's share of the Pension Fund liability as at 31st March 2024 and the reserve needed to fund that liability.

The pension fund liability that is disclosed within the Balance Sheet is the total projected deficit that exists over the expected life of the fund. This deficit will change on an annual basis dependent on the performance of investments and the actuarial assumptions that are made in terms of current pensioners, deferred pensioners and current employees.

The fund is subject to a 3 yearly actuarial valuation which assesses the then state of the pension fund and advises the various admitted bodies on the appropriate rate of employers contributions that needs to be made in order to restore the fund to a balanced position over a period of time. The contribution rate used in 2023/24 relates to the valuation undertaken on 31st March 2022.

The Local Government Pension Scheme is a statutory scheme and, as such, benefits accruing under the scheme can only be changed by legislation. The Department for Communities and Local Government legislated for a new scheme which commenced in April 2014 which was designed to have a material and beneficial effect on the projected cost of the scheme over future years.

## Narrative Report

The Pension Fund Deficit at 31st March 2024 is £69.993m (31st March 2023 £76.193m).

### Group Accounts

Group Accounts are prepared where Local Authorities have material interests in subsidiaries, associated companies and joint ventures. Group Accounts have been prepared to include the National Waterfront Museum and the Wales National Pool. The Group Accounts comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and associated disclosure notes.

### Changes in the form and content of the Statement

The Statement has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24. The code is published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The Statement also complies with the requirements of the Accounts and Audit (Wales) (Amendment) Regulations 2018.

Revenue from contracts with service recipients is recognised in line with the five-step model outlined in IFRS 15 - Revenue from Contracts with Customers. To help users of the accounts understand more about the income received an additional table has been included in Note 7b Segmental Income to provide a breakdown of service recipient income across directorates of the Council.

During 2023/24 the Council has streamlined the presentation of the Revaluation Reserve, Plant and Equipment note and the Fair Value Hierarchy note in line with a newly implemented CIPFA asset management accounting system and in continued accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

Also, in keeping with the above, the 2022/23 figures within these notes have been restated to reflect the changes.

The Revaluation Reserve has also been restated in 2022/23 to adjust the movement between upward and downward revaluations by £14.274m relating to prior period adjustments made in 2022/23 - the balance as at 31st March 2023 has not changed.

The 2023/24 Opening Balance figure in the Capital Expenditure and Capital Financing note has been restated to correct a prior period Revenue Expenditure Funded from Capital under Statute adjustment error of £17k.

### Financial outlook for the Authority.

On the 6th March 2024 the Authority approved a medium term financial plan which highlighted potential revenue shortfalls (savings required even after assuming future 5% council tax increases) rising from £24.9m in 2024/25 to a further £30.9m by 2027/28 reflecting expected modest future cash increases to cash settlements and a planning assumption of 3-7% rises needed in council tax in all future years of the medium term plan. Net nominal cash investment was forecast in all scenarios but after growth and especially inflation is taken into account unless grant rises faster than assumed, real term cuts are still likely to persist. If grant rises were maintained at recent trajectories there would be likely additional nominal terms funding to invest in services but a real term benefit will only be felt if prolonged and heightened inflation levels and interest rates rapidly diminish.

That report also contained a range of potential future savings options including continued focus on a range of reviews linked to the "Successful and Sustainable Corporate Transformation Plan" as the pace and scale of transformative change needed to fit to forecast reducing real terms resources levels continues.

Notwithstanding the information contained within the medium term financial plan, it is clear that the financial outlook for the Authority is hugely dependent upon the scale of Central Government funding and support for both Revenue and Capital expenditure. The Authority is likely to still be under pressure in real terms in the medium term. The last Comprehensive Spending Review is looking rather dated already given the especially pronounced current and medium term inflationary outlook. Equally the Authority continues to have ambitious plans to invest substantially in its capital infrastructure, a significant part of which will need to be financed from its own revenue resources, as well as from wider stakeholders including, but not limited to, the Swansea Bay City Region Deal.

Whilst overall levels of total funding available for 2024/25 have been announced, current indications are that continued medium term reduction in real terms funding is very likely when heightened price, pay and demand pressures are factored in. If the additional cash funding increases for 2024/25 are replicated, then there will be nominal investment and nominal service enhancement choices to be made. The value of that in real terms will likely be rather more moot in all scenarios given prolonged high inflation and rapid rises in interest rates. If, as widely predicted, local government is not "a protected area" by future UK government settlements, the real terms cuts required will be significantly greater. The Authority continues undertaking work to plan for all scenarios.

## *Narrative Report*

The Authority continues to face a challenging agenda following the introduction of an equal pay compliant pay and grading structure, development of regional partnership arrangements in line with Welsh Government policy, and compliance with any legislative and other changes, especially around the Local Government and Elections (Wales) Act 2021, the Wellbeing of Future Generations, the Environment Act, the Socio Economic Duty and Education Additional Learning Needs.

Intrinsically linked to part of this regionalisation agenda is the shared vision between four councils (including Swansea), the Welsh Government, the UK Government and other public sector partners (NHS, University sectors) as well as the private sector in delivering the £1.3bn Swansea Bay City Region deal. Overall funding obligations for the Council and delivery expectations continue to be managed as the individual City Deal projects develop.

Furthermore there may be impact as a result of ongoing options around the proposed Swansea Bay Tidal Lagoon project. Whilst the UK Government has formally decided not to proceed, this Council and a range of stakeholders remain committed to explore all alternative delivery models and vehicles (Blue Eden). Whilst it does not manifestly directly involve the Local Authority in the same way as the city region deal, nonetheless it offers a scale and significance to the local area and economy whose potential impact ought to be initially recognised.

The UK left the European Union on 31st January 2020 and entered into an eleven month long transition period, which ended on 31st December 2020 with a trade deal between the UK and EU.

The full longer term impact of the UK exit from the EU is still to be fully seen.

### **Further information**

You can get more information about the accounts from the Director of Finance & Section 151 Officer, Swansea Council, Guildhall, Swansea, SA1 4PE.



## ***Director of Finance & Section 151 Officer's Certificate & Statement of Responsibilities for the Statement of Accounts***

I hereby certify that the statement of accounts on pages 24 to 154 presents a true and fair view of the financial position of the Authority at the accounting date and its income and expenditure for the year ended 31<sup>st</sup> March 2024.

Ben Smith  
Director of Finance & Section 151 Officer

### **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 Director of Finance & Section 151 Officer;
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- Approve the statement of accounts.

### **The Director of Finance & Section 151 Officer's Responsibilities**

The Director of Finance & Section 151 Officer 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 Director of Finance & Section 151 Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the local authority Code.

The Director of Finance & Section 151 Officer has also:

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

### **Date of Authorisation for Issue**

The 2023/24 Statement of Accounts was authorised for issue on 20th March 2025 by Ben Smith, Director of Finance & Section 151 Officer of the Council. This is the date up to which events after the Balance Sheet date have been considered.

The 2023/24 Statement of Accounts was formally approved by Council on 20th March 2025.

Jan Curtice  
Chairwoman

20th March 2025

## The report of the Auditor General for Wales to the members of City & County of Swansea

### Opinion on financial statements

I have audited the financial statements of:

- The City & County of Swansea; and
- The City & County of Swansea Group

for the year ended 31 March 2024 under the Public Audit (Wales) Act 2004.

The City & County of Swansea's financial statements comprise the Expenditure and Funding Analysis, the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Movement on the Housing Revenue Account Statement, the Housing Revenue Account Income and Expenditure Statement and the related notes, including material accounting policies.

The City & County of Swansea'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 2023-24.

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

- give a true and fair view of the financial position of the City & County of Swansea and the City & County of Swansea 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 2023-24.

### 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 of Public Sector Entities 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 City & County of Swansea 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.

## **Auditor's Report to the City & County of Swansea**

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 City & County of Swansea 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 2023-24;
- The information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

### **Matters on which I report by exception**

In the light of the knowledge and understanding of the City & County of Swansea and the Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

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 19, the responsible financial officer is responsible for:

## Auditor's Report to the City & County of Swansea

- the preparation of the statement of accounts and the 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 City & County of Swansea and the 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 City & County of Swansea and the 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, the City & County of Swansea's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the City & County of Swansea and the 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 posting of unusual journals.
- Obtaining an understanding of the City & County of Swansea and the Group's framework of authority as well as other legal and regulatory frameworks that the City & County of Swansea and the Group operate in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the City & County of Swansea and the Group.
- 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;

## Auditor's Report to the City & County of Swansea

- reading minutes of meetings of those charged with governance; and
- 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 City & County of Swansea and the 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](http://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 the City & County of Swansea and the 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  
25th March 2025

1 Capital Quarter  
Tyndall Street  
Cardiff  
CF10 4BZ

## Expenditure and Funding Analysis

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

|  | 2022/23   |                      |   |   | 2023/24   |                      |   |
|--|---|----------------------|---|---|---|----------------------|---|
|  | Net Expenditure Chargeable to the General Fund and HRA Balances | Adjustments (Note 6) | Net Expenditure in the Comprehensive Income and Expenditure Statement |   | Net Expenditure Chargeable to the General Fund and HRA Balances | Adjustments (Note 6) | Net Expenditure in the Comprehensive Income and Expenditure Statement |
|  | £'000   | £'000                | £'000   |   | £'000   | £'000                | £'000   |
|  | 24,782  | 5,470                | 30,252  | Corporate Services                                    | 24,386  | 2,760                | 27,146  |
|  | 52,981  | -23,027              | 29,954  | Finance   | 33,330  | -24,392              | 8,938   |
|  | 144,342   | 12,054               | 156,396   | Social Services                                       | 162,140   | 636                  | 162,776   |
|  | 207,916   | 37,983               | 245,899   | Education   | 221,725   | 22,923               | 244,648   |
|  | 68,530  | 53,656               | 122,186   | Place   | 72,679  | 29,091               | 101,770   |
|  | -37,851   | 37,447               | -404  | Housing Revenue Account (HRA)                         | -36,799   | 30,545               | -6,254  |
|  | <b>460,700</b>  | <b>123,583</b>       | <b>584,283</b>  | <b>Net Cost of Services</b>                           | <b>477,461</b>  | <b>61,563</b>        | <b>539,024</b>  |
|  | -443,495  | -67,165              | -510,660  | Other Income and Expenditure                          | -476,598  | -79,941              | -556,539  |
|  | <b>17,205</b>   | <b>56,418</b>        | <b>73,623</b>   | <b>Surplus(-) or Deficit on Provision of Services</b> | <b>863</b>  | <b>-18,378</b>       | <b>-17,515</b>  |

## *Expenditure and Funding Analysis*

| General Fund<br>and HRA |  |  |   | General Fund<br>and HRA |  |  |
|-------------------------|--|--|---|-------------------------|--|--|
| -191,934                |  |  | Opening Balance<br>as at 1 April            | -174,729                |  |  |
| 17,205                  |  |  | Surplus(-) or<br>Deficit                    | 863                     |  |  |
| <b>-174,729</b>         |  |  | <b>Closing Balance<br/>as at 31 March *</b> | <b>-173,866</b>         |  |  |

\* For a split of this balance between the General Fund and the HRA - see the Movement in Reserves Statement.

## Comprehensive Income and Expenditure Statement

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation (or rents). Authorities raise taxation (and rents) to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

| 2022/23           |                 |                 |   | Note  | 2023/24           |                 |                 |
|-------------------|-----------------|-----------------|---|-------|-------------------|-----------------|-----------------|
| Gross Expenditure | Gross Income    | Net Expenditure |   |       | Gross Expenditure | Gross Income    | Net Expenditure |
| £'000             | £'000           | £'000           |   | £'000 | £'000             | £'000           |                 |
| 35,000            | -4,748          | 30,252          | Corporate Services  |       | 29,505            | -2,359          | 27,146          |
| 92,505            | -62,551         | 29,954          | Finance   |       | 74,282            | -65,344         | 8,938           |
| 238,871           | -82,475         | 156,396         | Social Services   |       | 251,343           | -88,567         | 162,776         |
| 317,025           | -71,126         | 245,899         | Education   |       | 323,360           | -78,712         | 244,648         |
| 244,734           | -122,548        | 122,186         | Place   |       | 250,013           | -148,243        | 101,770         |
| 72,616            | -73,020         | -404            | Housing Revenue Account (HRA)   |       | 72,058            | -78,312         | -6,254          |
| <b>1,000,751</b>  | <b>-416,468</b> | <b>584,283</b>  | <b>Cost of Services</b>   |       | <b>1,000,561</b>  | <b>-461,537</b> | <b>539,024</b>  |
| 46,683            | 0               | 46,683          | Other operating expenditure   | 11    | 57,268            | 0               | 57,268          |
| 88,063            | -56,652         | 31,411          | Financing and investment income and expenditure                           | 12    | 111,600           | -98,760         | 12,840          |
| 0                 | -588,754        | -588,754        | Taxation and non-specific grant income                                    | 13    | 0                 | -626,647        | -626,647        |
|                   |                 | 73,623          | <b>Surplus(-)/Deficit on Provision of Services</b>                        |       |                   |                 | -17,515         |
|                   |                 | 31,936          | Surplus(-)/Deficit on revaluation of Property, Plant and Equipment assets | 22    |                   |                 | -18,440         |
|                   |                 | -688,520        | Remeasurement of the net defined benefit liability/asset(-)               | 22    |                   |                 | -1,120          |
|                   |                 | -656,584        | <b>Other Comprehensive Income and Expenditure</b>                         |       |                   |                 | -19,560         |
|                   |                 | -582,961        | <b>Total Comprehensive Income(-) and Expenditure</b>                      |       |                   |                 | -37,075         |



## Group Income and Expenditure Statement

| 2022/23           |                 |                 |  | 2023/24           |                 |                 |
|-------------------|-----------------|-----------------|--|-------------------|-----------------|-----------------|
| Gross Expenditure | Gross Income    | Net Expenditure |  | Gross Expenditure | Gross Income    | Net Expenditure |
| £'000             | £'000           | £'000           |  | £'000             | £'000           | £'000           |
| 35,000            | -4,748          | <b>30,252</b>   | Corporate Services   | 29,505            | -2,359          | <b>27,146</b>   |
| 92,505            | -62,551         | <b>29,954</b>   | Finance  | 74,282            | -65,344         | <b>8,938</b>    |
| 238,871           | -82,475         | <b>156,396</b>  | Social Services  | 251,343           | -88,567         | <b>162,776</b>  |
| 317,025           | -71,126         | <b>245,899</b>  | Education  | 323,360           | -78,712         | <b>244,648</b>  |
| 244,734           | -122,548        | <b>122,186</b>  | Place  | 250,013           | -148,243        | <b>101,770</b>  |
| 72,616            | -73,020         | <b>-404</b>     | Housing Revenue Account (HRA)  | 72,058            | -78,312         | <b>-6,254</b>   |
| <b>1,000,751</b>  | <b>-416,468</b> | <b>584,283</b>  | <b>Cost of Services</b>  | <b>1,000,561</b>  | <b>-461,537</b> | <b>539,024</b>  |
| 46,683            | 0               | <b>46,683</b>   | Other operating expenditure  | 57,268            | 0               | <b>57,268</b>   |
| 88,063            | -56,652         | <b>31,411</b>   | Financing and investment income and expenditure  | 111,600           | -98,760         | <b>12,840</b>   |
| 0                 | -588,754        | <b>-588,754</b> | Taxation and non-specific grant income   | 0                 | -626,647        | <b>-626,647</b> |
|                   |                 | <b>73,623</b>   | <b>Surplus(-) or Deficit on Provision of Services</b>  |                   |                 | <b>-17,515</b>  |
|                   |                 | <b>427</b>      | Share of the surplus(-) or deficit on the provision of services by associates and joint ventures |                   |                 | <b>427</b>      |
|                   |                 | <b>74,050</b>   | <b>Group Surplus(-) or Deficit</b>   |                   |                 | <b>-17,088</b>  |
|                   |                 | <b>31,661</b>   | Surplus(-) or deficit on revaluation of Property, Plant and Equipment assets                     |                   |                 | <b>-16,622</b>  |

## Group Income and Expenditure Statement

| 2022/23           |              |                 |   | 2023/24           |              |                 |
|-------------------|--------------|-----------------|---|-------------------|--------------|-----------------|
| Gross Expenditure | Gross Income | Net Expenditure |   | Gross Expenditure | Gross Income | Net Expenditure |
| £'000             | £'000        | £'000           |   | £'000             | £'000        | £'000           |
|                   |              | -688,520        | Remeasurement of the net defined benefit liability/asset(-) |                   |              | -1,120          |
|                   |              | -656,859        | Other Comprehensive Income and Expenditure                  |                   |              | -17,742         |
|                   |              | -582,809        | Total Comprehensive Income(-) and Expenditure               |                   |              | -34,830         |

## *Movement in Reserves Statement*

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

The Statement shows how the movements in year of the Authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax (or rents) for the year.

The Net Increase/Decrease line shows the statutory General Fund Balance and Housing Revenue Account Balance movements in the year following those adjustments.

## Movement in Reserves Statement

| 2023/24  | Note | General Fund Balance<br>£'000 | Earmarked General Fund<br>Reserves<br>£'000 | Housing Revenue Account<br>£'000 | Capital Receipts Reserve<br>£'000 | Capital Grants Unapplied<br>Account<br>£'000 | Total Usable Reserves<br>£'000 | Unusable Reserves<br>£'000 | Total Authority Reserves<br>£'000 |
|--|------|-------------------------------|---|----------------------------------|-----------------------------------|--|--------------------------------|----------------------------|-----------------------------------|
| <b>Balance at 31 March 2023 carried forward</b>                            |      | <b>10,000</b>                 | <b>154,321</b>                              | <b>10,408</b>                    | <b>8,720</b>                      | <b>22,187</b>                                | <b>205,636</b>                 | <b>1,148,823</b>           | <b>1,354,459</b>                  |
| <b><u>Movement in reserves during 2023/24</u></b>                          |      |                               |   |                                  |                                   |  |                                |                            |                                   |
| Surplus/Deficit (-) on the provision of services                           |      | 1,175                         | 0   | 16,340                           | 0                                 | 0  | 17,515                         | 0                          | 17,515                            |
| Other Comprehensive Income and Expenditure                                 |      | 0                             | 0   | 0                                | 0                                 | 0  | 0                              | 19,560                     | 19,560                            |
| <b>Total Comprehensive Income and<br/>Expenditure</b>                      |      | <b>1,175</b>                  | <b>0</b>                                    | <b>16,340</b>                    | <b>0</b>                          | <b>0</b>                                     | <b>17,515</b>                  | <b>19,560</b>              | <b>37,075</b>                     |
| Adjustments between accounting basis &<br>funding basis under regulations  | 8    | -7,928                        | 0   | -10,450                          | -2,985                            | 11,623                                       | -9,740                         | 9,740                      | 0                                 |
| <b>Net Increase/Decrease(-) before Transfers to<br/>Earmarked Reserves</b> |      | <b>-6,753</b>                 | <b>0</b>                                    | <b>5,890</b>                     | <b>-2,985</b>                     | <b>11,623</b>                                | <b>7,775</b>                   | <b>29,300</b>              | <b>37,075</b>                     |
| Transfers from(-)/to Earmarked Reserves                                    | 10   | 8,753                         | -8,753                                      | 0                                | 0                                 | 0  | 0                              | 0                          | 0                                 |
| <b>Increase/Decrease(-) in 2023/24</b>                                     |      | <b>2,000</b>                  | <b>-8,753</b>                               | <b>5,890</b>                     | <b>-2,985</b>                     | <b>11,623</b>                                | <b>7,775</b>                   | <b>29,300</b>              | <b>37,075</b>                     |
| <b>Balance at 31 March 2024 carried forward</b>                            |      | <b>12,000</b>                 | <b>145,568</b>                              | <b>16,298</b>                    | <b>5,735</b>                      | <b>33,810</b>                                | <b>213,411</b>                 | <b>1,178,123</b>           | <b>1,391,534</b>                  |

## Movement in Reserves Statement

| 2022/23  | Note | General Fund Balance<br>£'000 | Earmarked General Fund<br>Reserves<br>£'000 | Housing Revenue Account<br>£'000 | Capital Receipts Reserve<br>£'000 | Capital Grants Unapplied<br>Account<br>£'000 | Total Usable Reserves<br>£'000 | Unusable Reserves<br>£'000 | Total Authority Reserves<br>£'000 |
|--|------|-------------------------------|---|----------------------------------|-----------------------------------|--|--------------------------------|----------------------------|-----------------------------------|
| <b>Balance at 31 March 2022 carried forward</b>                            |      | <b>10,000</b>                 | <b>176,695</b>                              | <b>5,239</b>                     | <b>5,597</b>                      | <b>30,427</b>                                | <b>227,958</b>                 | <b>543,540</b>             | <b>771,498</b>                    |
| <b><u>Movement in reserves during 2022/23</u></b>                          |      |                               |   |                                  |                                   |  |                                |                            |                                   |
| Surplus/Deficit (-) on the provision of services                           |      | -84,082                       | 0   | 10,459                           | 0                                 | 0  | -73,623                        | 0                          | -73,623                           |
| Other Comprehensive Income and Expenditure                                 |      | 0                             | 0   | 0                                | 0                                 | 0  | 0                              | 656,584                    | 656,584                           |
| <b>Total Comprehensive Income and<br/>Expenditure</b>                      |      | <b>-84,082</b>                | <b>0</b>                                    | <b>10,459</b>                    | <b>0</b>                          | <b>0</b>                                     | <b>-73,623</b>                 | <b>656,584</b>             | <b>582,961</b>                    |
| Adjustments between accounting basis &<br>funding basis under regulations  | 8    | 61,708                        | 0   | -5,290                           | 3,123                             | -8,240                                       | 51,301                         | -51,301                    | 0                                 |
| <b>Net Increase/Decrease(-) before Transfers<br/>to Earmarked Reserves</b> |      | <b>-22,374</b>                | <b>0</b>                                    | <b>5,169</b>                     | <b>3,123</b>                      | <b>-8,240</b>                                | <b>-22,322</b>                 | <b>605,283</b>             | <b>582,961</b>                    |
| Transfers from(-)/to Earmarked Reserves                                    | 10   | 22,374                        | -22,374                                     | 0                                | 0                                 | 0  | 0                              | 0                          | 0                                 |
| <b>Increase/Decrease(-) in 2022/23</b>                                     |      | <b>0</b>                      | <b>-22,374</b>                              | <b>5,169</b>                     | <b>3,123</b>                      | <b>-8,240</b>                                | <b>-22,322</b>                 | <b>605,283</b>             | <b>582,961</b>                    |
| <b>Balance at 31 March 2023 carried forward</b>                            |      | <b>10,000</b>                 | <b>154,321</b>                              | <b>10,408</b>                    | <b>8,720</b>                      | <b>22,187</b>                                | <b>205,636</b>                 | <b>1,148,823</b>           | <b>1,354,459</b>                  |

## Group Movement in Reserves Statement

| 2023/24  | Note | General Fund Balance<br>£'000 | Earmarked General Fund<br>Reserves<br>£'000 | Housing Revenue<br>Account<br>£'000 | Capital Receipts Reserve<br>£'000 | Capital Grants Unapplied<br>Account<br>£'000 | Total Usable Reserves<br>£'000 | Unusable Reserves<br>£'000 | Total Authority Reserves<br>£'000 | Authority's Share of<br>Subsidiaries, Associates<br>and Joint Ventures<br>£'000 | Total Group Reserves<br>£'000 |
|--|------|-------------------------------|---|-------------------------------------|-----------------------------------|--|--------------------------------|----------------------------|-----------------------------------|---|-------------------------------|
| <b>Balance at 31 March 2023 carried forward</b>                        |      | 10,000                        | 154,321                                     | 10,408                              | 8,720                             | 22,187                                       | 205,636                        | 1,148,823                  | 1,354,459                         | 23,073  | 1,377,532                     |
| <b>Movement in reserves during 2023/24</b>                             |      |                               |   |                                     |                                   |  |                                |                            |                                   |   |                               |
| Surplus/Deficit (-) on the provision of services                       |      | 1,175                         | 0   | 16,340                              | 0                                 | 0  | 17,515                         | 0                          | 17,515                            | -427  | 17,088                        |
| Other Comprehensive Income and Expenditure                             |      | 0                             | 0   | 0                                   | 0                                 | 0  | 0                              | 19,560                     | 19,560                            | -1,818  | 17,742                        |
| <b>Total Comprehensive Income and Expenditure</b>                      |      | <b>1,175</b>                  | <b>0</b>                                    | <b>16,340</b>                       | <b>0</b>                          | <b>0</b>                                     | <b>17,515</b>                  | <b>19,560</b>              | <b>37,075</b>                     | <b>-2,245</b>   | <b>34,830</b>                 |
| Adjustments between group accounts & authority accounts                |      | 0                             | 0   | 0                                   | 0                                 | 0  | 0                              | 0                          | 0                                 | 0   | 0                             |
| Adjustments between accounting basis & funding basis under regulations | 8    | -7,928                        | 0   | -10,450                             | -2,985                            | 11,623                                       | -9,740                         | 9,740                      | 0                                 | 0   | 0                             |
| <b>Net Increase/Decrease(-) before Transfers to Earmarked Reserves</b> |      | <b>-6,753</b>                 | <b>0</b>                                    | <b>5,890</b>                        | <b>-2,985</b>                     | <b>11,623</b>                                | <b>7,775</b>                   | <b>29,300</b>              | <b>37,075</b>                     | <b>-2,245</b>   | <b>34,830</b>                 |
| Transfers from(-)/to Earmarked Reserves                                | 10   | 8,753                         | -8,753                                      | 0                                   | 0                                 | 0  | 0                              | 0                          | 0                                 | 0   | 0                             |
| <b>Increase/Decrease(-) in 2023/24</b>                                 |      | <b>2,000</b>                  | <b>-8,753</b>                               | <b>5,890</b>                        | <b>-2,985</b>                     | <b>11,623</b>                                | <b>7,775</b>                   | <b>29,300</b>              | <b>37,075</b>                     | <b>-2,245</b>   | <b>34,830</b>                 |
| <b>Balance at 31 March 2024 carried forward</b>                        |      | <b>12,000</b>                 | <b>145,568</b>                              | <b>16,298</b>                       | <b>5,735</b>                      | <b>33,810</b>                                | <b>213,411</b>                 | <b>1,178,123</b>           | <b>1,391,534</b>                  | <b>20,828</b>   | <b>1,412,362</b>              |

## Group Movement in Reserves Statement

| 2022/23  | Note | General Fund Balance<br>£'000 | Earmarked General Fund<br>Reserves<br>£'000 | Housing Revenue<br>Account<br>£'000 | Capital Receipts Reserve<br>£'000 | Capital Grants Unapplied<br>Account<br>£'000 | Total Usable Reserves<br>£'000 | Unusable Reserves<br>£'000 | Total Authority Reserves<br>£'000 | Authority's Share of<br>Subsidiaries, Associates<br>and Joint Ventures<br>£'000 | Total Group Reserves<br>£'000 |
|--|------|-------------------------------|---|-------------------------------------|-----------------------------------|--|--------------------------------|----------------------------|-----------------------------------|---|-------------------------------|
| <b>Balance at 31 March 2022 carried forward</b>                        |      | <b>10,000</b>                 | <b>176,695</b>                              | <b>5,239</b>                        | <b>5,597</b>                      | <b>30,427</b>                                | <b>227,958</b>                 | <b>543,540</b>             | <b>771,498</b>                    | <b>23,225</b>   | <b>794,723</b>                |
| <b>Movement in reserves during 2022/23</b>                             |      |                               |   |                                     |                                   |  |                                |                            |                                   |   |                               |
| Surplus/Deficit (-) on the provision of services                       |      | -84,082                       | 0   | 10,459                              | 0                                 | 0  | -73,623                        | 0                          | -73,623                           | -427  | -74,050                       |
| Other Comprehensive Income and Expenditure                             |      | 0                             | 0   | 0                                   | 0                                 | 0  | 0                              | 656,584                    | 656,584                           | 275   | 656,859                       |
| <b>Total Comprehensive Income and Expenditure</b>                      |      | <b>-84,082</b>                | <b>0</b>                                    | <b>10,459</b>                       | <b>0</b>                          | <b>0</b>                                     | <b>-73,623</b>                 | <b>656,584</b>             | <b>582,961</b>                    | <b>-152</b>   | <b>582,809</b>                |
| Adjustments between group accounts & authority accounts                |      | 0                             | 0   | 0                                   | 0                                 | 0  | 0                              | 0                          | 0                                 | 0   | 0                             |
| Adjustments between accounting basis & funding basis under regulations | 8    | 61,708                        | 0   | -5,290                              | 3,123                             | -8,240                                       | 51,301                         | -51,301                    | 0                                 | 0   | 0                             |
| <b>Net Increase/Decrease(-) before Transfers to Earmarked Reserves</b> |      | <b>-22,374</b>                | <b>0</b>                                    | <b>5,169</b>                        | <b>3,123</b>                      | <b>-8,240</b>                                | <b>-22,322</b>                 | <b>605,283</b>             | <b>582,961</b>                    | <b>-152</b>   | <b>582,809</b>                |
| Transfers from(-)/to Earmarked Reserves                                | 10   | 22,374                        | -22,374                                     | 0                                   | 0                                 | 0  | 0                              | 0                          | 0                                 | 0   | 0                             |
| <b>Increase/Decrease(-) in 2022/23</b>                                 |      | <b>0</b>                      | <b>-22,374</b>                              | <b>5,169</b>                        | <b>3,123</b>                      | <b>-8,240</b>                                | <b>-22,322</b>                 | <b>605,283</b>             | <b>582,961</b>                    | <b>-152</b>   | <b>582,809</b>                |
| <b>Balance at 31 March 2023 carried forward</b>                        |      | <b>10,000</b>                 | <b>154,321</b>                              | <b>10,408</b>                       | <b>8,720</b>                      | <b>22,187</b>                                | <b>205,636</b>                 | <b>1,148,823</b>           | <b>1,354,459</b>                  | <b>23,073</b>   | <b>1,377,532</b>              |

## Balance Sheet

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

| 31 March<br>2023<br>£'000 |  | Note | 31 March<br>2024<br>£'000 |
|---------------------------|--|------|---------------------------|
| 541,241                   | Council Dwellings                        | 14   | 556,225                   |
| 789,761                   | Other Land and Buildings                 | 14   | 779,346                   |
| 21,057                    | Vehicles, Plant, Furniture and Equipment | 14   | 18,821                    |
| 271,143                   | Infrastructure Assets                    | 14   | 276,043                   |
| 11,547                    | Community Assets                         | 14   | 11,144                    |
| 77,452                    | Surplus Assets                           | 14   | 78,354                    |
| 69,403                    | Assets under Construction                | 14   | 99,144                    |
| <b>1,781,604</b>          | <b>Property, Plant &amp; Equipment</b>   |      | <b>1,819,077</b>          |
| 32,260                    | Heritage Assets                          | 15   | 32,922                    |
| 57,019                    | Investment Properties                    | 16   | 59,668                    |
| 1,062                     | Intangible Assets                        |      | 769                       |
| 99                        | Long Term Investments                    | 17   | 94                        |
| 14,644                    | Long Term Debtors                        | 17   | 19,725                    |
| <b>1,886,688</b>          | <b>Long Term Assets</b>                  |      | <b>1,932,255</b>          |
| 172,679                   | Short Term Investments                   | 17   | 135,338                   |
| 0                         | Assets Held for Sale                     |      | 0                         |
| 3,478                     | Inventories                              |      | 3,260                     |
| 125,221                   | Short Term Debtors                       | 18   | 131,212                   |
| 69,072                    | Cash and Cash Equivalents                | 19   | 72,201                    |
| <b>370,450</b>            | <b>Current Assets</b>                    |      | <b>342,011</b>            |
| -9,026                    | Short Term Borrowing                     | 17   | -13,980                   |
| -94,154                   | Short Term Creditors                     | 20   | -99,597                   |
| -2,906                    | Provisions                               | 21   | -1,779                    |
| 0                         | Capital Grants Receipts in Advance       |      | 0                         |
| <b>-106,086</b>           | <b>Current Liabilities</b>               |      | <b>-115,356</b>           |



## Balance Sheet

| 31 March<br>2023<br>£'000 |   | Note | 31 March<br>2024<br>£'000 |
|---------------------------|---|------|---------------------------|
| -2,548                    | Long Term Creditors                     | 17   | -2,049                    |
| -24,305                   | Provisions                              | 21   | -24,036                   |
| -693,547                  | Long Term Borrowing                     | 17   | -671,298                  |
| -76,193                   | Other Long Term Liabilities             | 35   | -69,993                   |
| <b>-796,593</b>           | <b>Long Term Liabilities</b>            |      | <b>-767,376</b>           |
| <b>1,354,459</b>          | <b>NET ASSETS</b>                       |      | <b>1,391,534</b>          |
|                           | Financed by:                            |      |                           |
| 10,000                    | Balances - General Fund                 |      | 12,000                    |
| 10,408                    | Balances - Housing Revenue Account      | 10   | 16,298                    |
| 8,720                     | Capital Receipts Reserve                |      | 5,735                     |
| 22,187                    | Capital Grants Unapplied Account        |      | 33,810                    |
| 154,321                   | Earmarked Reserves                      | 10   | 145,568                   |
| <b>205,636</b>            | <b>Usable Reserves</b>                  |      | <b>213,411</b>            |
| 321,149                   | Revaluation Reserve                     | 22   | 324,552                   |
| -76,193                   | Pensions Reserve                        | 22   | -69,993                   |
| 921,628                   | Capital Adjustment Account              | 22   | 939,415                   |
| -2,255                    | Financial Instrument Adjustment Account |      | -2,036                    |
| -15,506                   | Accumulated Absences Account            | 22   | -13,815                   |
| <b>1,148,823</b>          | <b>Unusable Reserves</b>                |      | <b>1,178,123</b>          |
| <b>1,354,459</b>          | <b>TOTAL RESERVES</b>                   |      | <b>1,391,534</b>          |

## Group Balance Sheet

| 31 March<br>2023<br>£'000 |  | Note | 31 March<br>2024<br>£'000 |
|---------------------------|--|------|---------------------------|
| 541,241                   | Council Dwellings                            | 14   | 556,225                   |
| 789,761                   | Other Land and Buildings                     | 14   | 779,346                   |
| 21,057                    | Vehicles, Plant, Furniture and Equipment     | 14   | 18,821                    |
| 271,143                   | Infrastructure Assets                        | 14   | 276,043                   |
| 11,547                    | Community Assets                             | 14   | 11,144                    |
| 77,452                    | Surplus Assets                               | 14   | 78,354                    |
| 69,403                    | Assets under Construction                    | 14   | 99,144                    |
| <b>1,781,604</b>          | <b>Property, Plant &amp; Equipment</b>       |      | <b>1,819,077</b>          |
| 32,260                    | Heritage Assets                              | 15   | 32,922                    |
| 57,019                    | Investment Properties                        | 16   | 59,668                    |
| 1,062                     | Intangible Assets                            |      | 769                       |
| 99                        | Long Term Investments                        | 17   | 94                        |
| 23,073                    | Investments in Associates and Joint Ventures |      | 20,828                    |
| 14,644                    | Long Term Debtors                            | 17   | 19,725                    |
| <b>1,909,761</b>          | <b>Long Term Assets</b>                      |      | <b>1,953,083</b>          |
| 172,679                   | Short Term Investments                       | 17   | 135,338                   |
| 0                         | Assets Held for Sale                         |      | 0                         |
| 3,478                     | Inventories                                  |      | 3,260                     |
| 125,221                   | Short Term Debtors                           | 18   | 131,212                   |
| 69,072                    | Cash and Cash Equivalents                    | 19   | 72,201                    |
| <b>370,450</b>            | <b>Current Assets</b>                        |      | <b>342,011</b>            |
| -9,026                    | Short Term Borrowing                         | 17   | -13,980                   |
| -94,154                   | Short Term Creditors                         | 20   | -99,597                   |
| -2,906                    | Provisions                                   | 21   | -1,779                    |
| 0                         | Capital Grants Receipts in Advance           |      | 0                         |
| <b>-106,086</b>           | <b>Current Liabilities</b>                   |      | <b>-115,356</b>           |
| -2,548                    | Long Term Creditors                          | 17   | -2,049                    |
| -24,305                   | Provisions                                   | 21   | -24,036                   |
| -693,547                  | Long Term Borrowing                          | 17   | -671,298                  |
| -76,193                   | Other Long Term Liabilities                  | 35   | -69,993                   |
| <b>-796,593</b>           | <b>Long Term Liabilities</b>                 |      | <b>-767,376</b>           |
| <b>1,377,532</b>          | <b>NET ASSETS</b>                            |      | <b>1,412,362</b>          |

## Group Balance Sheet

| 31 March<br>2023<br>£'000 |   | Note | 31 March<br>2024<br>£'000 |
|---------------------------|---|------|---------------------------|
|                           | <b>Financed by:</b>                     |      |                           |
| 20,106                    | Balances - General Fund                 |      | 21,680                    |
| 10,408                    | Balances - Housing Revenue Account      | 10   | 16,298                    |
| 8,720                     | Capital Receipts Reserve                |      | 5,735                     |
| 22,187                    | Capital Grants Unapplied Account        |      | 33,810                    |
| 154,321                   | Earmarked Reserves                      | 10   | 145,568                   |
| <b>215,742</b>            | <b>Usable Reserves</b>                  |      | <b>223,091</b>            |
| 334,116                   | Revaluation Reserve                     | 22   | 335,700                   |
| -76,193                   | Pensions Reserve                        | 22   | -69,993                   |
| 921,628                   | Capital Adjustment Account              | 22   | 939,415                   |
| -2,255                    | Financial Instrument Adjustment Account |      | -2,036                    |
| -15,506                   | Accumulated Absences Account            | 22   | -13,815                   |
| <b>1,161,790</b>          | <b>Unusable Reserves</b>                |      | <b>1,189,271</b>          |
| <b>1,377,532</b>          | <b>TOTAL RESERVES</b>                   |      | <b>1,412,362</b>          |

## Cash Flow Statement

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

| 2022/23<br>£'000 |  | Note      | 2023/24<br>£'000 |
|------------------|--|-----------|------------------|
| -73,623          | Net surplus or deficit(-) on the provision of services   |           | 17,515           |
| 157,159          | Adjustments to net surplus or deficit(-) on the provision of services for non-cash movements   | 23        | 86,882           |
| -61,060          | Adjustments for items included in the net surplus or deficit(-) on the provision of services that are investing and financing activities | 23        | -69,273          |
| <b>22,476</b>    | <b>Net cash flows from operating activities</b>  |           | <b>35,124</b>    |
| -113,374         | Purchase of property, plant and equipment, investment property and intangible assets   |           | -123,732         |
| -1,938,010       | Purchase of short-term and long-term investments   |           | -1,826,990       |
| 10,213           | Proceeds from the sale of property, plant and equipment, investment property and intangible assets                                       |           | 2,021            |
| 1,956,866        | Proceeds from short-term and long-term investments   |           | 1,864,545        |
| 61,060           | Other receipts from investing activities   |           | 69,273           |
| <b>-23,245</b>   | <b>Net cash flows from investing activities</b>  |           | <b>-14,883</b>   |
| 14,064           | Cash receipts of short-term and long-term borrowing  |           | 17,604           |
| -9,903           | Repayments of short-term and long-term borrowing   |           | -34,716          |
| <b>4,161</b>     | <b>Net cash flows from financing activities</b>  | <b>24</b> | <b>-17,112</b>   |
| <b>3,392</b>     | <b>Net decrease(-) or increase in cash and cash equivalents</b>  |           | <b>3,129</b>     |
| 65,680           | Cash and cash equivalents at the beginning of the reporting period   |           | 69,072           |
| <b>69,072</b>    | <b>Cash and cash equivalents at the end of the reporting period</b>  | <b>19</b> | <b>72,201</b>    |

## Group Cash Flow Statement

| 2022/23<br>£'000 |  | Note      | 2023/24<br>£'000 |
|------------------|--|-----------|------------------|
| -73,623          | Net surplus or deficit(-) on the provision of services   |           | 17,515           |
| 157,159          | Adjustments to net surplus or deficit(-) on the provision of services for non-cash movements   | 23        | 86,882           |
| -61,060          | Adjustments for items included in the net surplus or deficit(-) on the provision of services that are investing and financing activities | 23        | -69,273          |
| <b>22,476</b>    | <b>Net cash flows from operating activities</b>  |           | <b>35,124</b>    |
| -113,374         | Purchase of property, plant and equipment, investment property and intangible assets   |           | -123,732         |
| -1,938,010       | Purchase of short-term and long-term investments   |           | -1,826,990       |
| 10,213           | Proceeds from the sale of property, plant and equipment, investment property and intangible assets                                       |           | 2,021            |
| 1,956,866        | Proceeds from short-term and long-term investments   |           | 1,864,545        |
| 61,060           | Other receipts from investing activities   |           | 69,273           |
| <b>-23,245</b>   | <b>Net cash flows from investing activities</b>  |           | <b>-14,883</b>   |
| 14,064           | Cash receipts of short-term and long-term borrowing  |           | 17,604           |
| -9,903           | Repayments of short-term and long-term borrowing   |           | -34,716          |
| <b>4,161</b>     | <b>Net cash flows from financing activities</b>  | <b>24</b> | <b>-17,112</b>   |
| <b>3,392</b>     | <b>Net decrease(-) or increase in cash and cash equivalents</b>  |           | <b>3,129</b>     |
| 65,680           | Cash and cash equivalents at the beginning of the reporting period   |           | 69,072           |
| <b>69,072</b>    | <b>Cash and cash equivalents at the end of the reporting period</b>  | <b>19</b> | <b>72,201</b>    |

## Notes to the Accounts

### 1. Accounting Policies

#### i. General Principles

The Statement of Accounts summarises the Authority's transactions for the 2023/24 financial year and its position at the year-end of 31st March 2024.

The Authority is required to prepare an annual Statement of Accounts by virtue of the Accounts and Audit (Wales) (Amendment) Regulations 2018. These regulations require the Accounts to be prepared in accordance with proper accounting practices.

These practices are set out in the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the Code), supported by International Financial Reporting Standards (IFRS).

The Accounts have been prepared on a historical cost basis, with the exception of certain categories of non-current assets that are measured at current value, and financial instruments which are now carried within the balance sheet at fair value as defined by the Code.

The Group Accounts consolidate Swansea Council's accounts with the accounts of companies in which the Authority has an interest and are considered to be part of our group.

The CIPFA Code of Practice on Local Authority Accounting 2023/24 requires that Group Accounting Statements have to be prepared, consolidating the accounts of the parent and any subsidiary, associate or joint undertakings. An assessment of the activities and interests of Swansea Council has been undertaken, which has determined that the Swansea Council Group consists of the Local Authority as the parent, and the following companies:

|  |               |
|--|---------------|
| Wales National Pool Swansea (WNPS)                   | Joint Venture |
| National Waterfront Museum Swansea (NWMS)            | Joint Venture |
| Swansea Community Energy & Enterprise Scheme (SCEES) | Associate     |

Notes have been provided to the Group Accounting Statements only where the disclosure for the Group differs from that required for the Local Authority due to the combination of the accounts of the various entities.

IAS 19 requires that entries are included in the Group Balance Sheet for the Group's share of assets and liabilities of the Local Authority Pension Scheme.

The Accounts are prepared on a going concern basis.

## *Notes to the Accounts*

### **ii. Accruals of Income and Expenditure**

The Accounts are maintained on an accruals basis in accordance with the Code. This means that sums due to or from the Authority, where the supply or service was provided or received during the year, are included in the Accounts whether or not the cash has actually been received or paid in the year.

Accruals are made in respect of grants claimed or claimable for Revenue and Capital purposes. Some grant claims are finalised after the Accounts have been completed and in this case the grant is accrued on the basis of the best estimate available, and any differences are accounted for in the following year.

Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised in line with the five-step model outlined in IFRS 15 - Revenue from Contracts with Customers. This means that revenue will be recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.

Supplies are recorded as expenditure when they are consumed - where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.

Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure in the main on the basis of the effective interest rate for the relevant financial instrument.

Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

### **iii. Cash and Cash Equivalents**

Cash or cash equivalents will be any cash investment which is held for short-term cash flow purposes which can be readily realised without a significant change in value.

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

## Notes to the Accounts

### iv. Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Authority's financial performance.

### v. Changes in Accounting Policies and Estimates and Errors

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events or conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless not material or stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

As part of a review of Property, Plant and Equipment changes in assumptions have been made regarding the remaining useful lives of some operational and some non-operational assets during 2023/24.

Where appropriate, consideration has been given to the estimated useful life of individual asset components (primarily electrical, mechanical, and fabric); revenue charges for depreciation reflect the differing useful lives of asset components for other land and building assets revalued as per the Authority's rolling programme between 1st April 2010 and 31st March 2016. Revenue charges for depreciation on assets, revalued as per the rolling programme from 1st April 2016, will be charged on the building component of Other Land and Buildings assets. Annual depreciation has been charged on opening balances from 1st April 2017.

The Council Tax bad debt provision was originally reviewed during 2020/21. Following an analysis of the original outstanding debt, current outstanding debt and the level of write offs the Authority realised that the estimate for council tax bad debt provision was too high and therefore needed to be revised. The Council Tax bad debt provision is now based on the historic average of uncollected debt. There are external factors like the changes in universal credit and the Cost of Living crisis that are likely to affect the council tax collection rate and the level of outstanding debt. Therefore the council tax bad debt provision will continue to be reviewed annually until there is some stability of collection rates.

### vi. Charges to Revenue for Non-Current Assets

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

- depreciation attributable to the assets used by the relevant service.
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.
- amortisation of intangible assets attributable to the service, based on any intangible asset held subject to the de minimis policy on capitalisation set out in note xvi.



## **Notes to the Accounts**

The Authority is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement (equal to an amount calculated on a prudent basis determined by the Authority in accordance with statutory guidance). Depreciation, revaluation and impairment losses and amortisation are therefore replaced by the contribution in the General Fund Balance (Minimum Revenue Provision), by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

### **vii. Employee Benefits**

#### **Benefits Payable During Employment**

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave, paid sick leave and bonuses. Any non-monetary benefits for current employees are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. flexi leave) earned by employees but not taken before the year-end, which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement to the Accumulated Absences Account so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

#### **Termination Benefits**

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date, or an officer's decision to accept voluntary redundancy. Costs relating to termination benefits are charged on an accruals basis to the relevant Cost of Service lines in the Comprehensive Income and Expenditure Statement only when the Authority is demonstrably committed to the termination of the employment of an officer, or group of officers, or making an offer to encourage voluntary redundancy.

#### **Post Employment Benefits**

Employees of the Authority are members of two separate pension schemes:

- The Teachers' Pension Scheme, administered by CAPITA on behalf of the Department for Education.
- The Local Government Pensions Scheme, administered by Swansea Council.

Both schemes provide defined benefits to members (retirement lump sums and pensions), earned by employees during their period of employment with the Authority.

## Notes to the Accounts

However, the arrangements for the teachers' scheme means that liabilities for these benefits cannot ordinarily be identified specifically to the Authority. The scheme is therefore accounted for as if it were a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet. The Education line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to the Teachers' Pensions in the year.

### The Local Government Pension Scheme

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

- The liabilities of the Swansea Council 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 projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate based on the indicative rate of return on high quality corporate bonds as required by IAS 19.
- The assets of the Swansea Council pension fund attributable to the Authority are included in the Balance Sheet at their fair value:
  - quoted securities - current bid price
  - unquoted securities - industry accepted techniques
  - unitised securities - current bid price
  - property - market value.

The change in the net pensions liability is analysed into the following components:

- Service cost comprising:
  - current service cost - the increase in liabilities as a result of years of service earned this year - allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
  - past service cost - the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years - debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.
  - net interest on the net defined benefit liability (asset), i.e. net interest expense for the Authority - the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement - this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period - taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

## Notes to the Accounts

- Remeasurements comprising:
  - the return on plan assets - excluding amounts included in net interest on the net defined benefit liability (asset) - charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
  - actuarial gains and losses - changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions - charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- contributions paid to the Swansea Council pension fund - cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

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

### Discretionary Benefits

The Authority 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. No such discretionary powers were used during the year.

### viii. Events After the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events.
- those that are indicative of conditions that arose after the reporting period - the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

## Notes to the Accounts

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

### ix. Financial Instruments

#### Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

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

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

#### Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics.

There are three main classes of financial assets measured at:

- amortised cost,
- fair value through profit or loss, and
- fair value through other comprehensive income.

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

### Financial Assets Measured at Amortised Cost

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

However, the Authority has made loans to voluntary organisations and third parties at less than market rates (soft loans). When soft loans are made, a loss is recorded in the Comprehensive Income and Expenditure Statement (debited to the appropriate service) for the present value of the interest that will be foregone over the life of the instrument, resulting in a lower amortised cost than the outstanding principal.

Interest is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement at a marginally higher effective rate of interest than the rate receivable from the voluntary organisations, with the difference serving to increase the amortised cost of the loan in the Balance Sheet. Statutory provisions require that the impact of soft loans on the General Fund Balance is the interest receivable for the financial year - the reconciliation of amounts debited and credited to the Comprehensive Income and Expenditure Statement to the net gain required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

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

### Expected Credit Loss Model

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

## Notes to the Accounts

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

The Authority has a portfolio of a significant number of loans to local businesses. It does not have reasonable and supportable information that is available without undue cost or effort to support the measurement of lifetime expected losses on an individual instrument basis. It has therefore assessed losses for the portfolio on a collective basis.

### Financial Assets Measured at Fair Value through Profit or Loss

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

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

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

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

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

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

## Notes to the Accounts

### x. Government Grants and Contributions

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

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

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

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

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

### xi. Heritage Assets

Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained by the Authority, principally for their contribution to knowledge and culture.

Subject to specific requirements, Heritage Assets are accounted for in accordance with the Authority's policies of Property, Plant and Equipment (including the treatment of revaluation gains and losses and de minimis policy).

The Authority does not normally purchase fixed assets of a heritage nature; all assets disclosed have been donated into the Authority's possession. All assets are open to access by members of the public, with no restrictions other than those resulting from the normal operational limitations of venues (opening and closing times, and public safety).



## Notes to the Accounts

Management of these assets is undertaken by designated specialists and other personnel employed by the Authority. These personnel are responsible for the maintenance of all historical records relating to the assets the Authority is in possession of, access to which can be granted through local arrangement. Any preservation works required, either enhancing or non-enhancing in nature, will be undertaken through the Authority's main capital program, with minor works undertaken ad-hoc per the standard Authority internal systems for revenue expenditure.

No heritage assets disposals are actively undertaken by the Authority. Under such circumstance that asset disposal is required, it shall be undertaken in accordance with the Authority's standard asset disposal procedures.

Valuation of heritage assets may be made by any method that is appropriate and relevant. The Authority's assets are mostly valued at insurance valuation and replacement cost (based on construction methods and materials used).

Depreciation is not required on heritage assets which have indefinite lives. Impairment reviews will only be carried out where there is reported physical deterioration or new doubts as to the authenticity of a heritage asset.

Where information on the cost or value is not available, and the cost of obtaining the information outweighs the benefits to users of the financial statements, the asset is not recognised on the balance sheet. Items such as Hafod Copperworks, memorials and some museum and library collections have been considered but not recognised as value/cost information is unavailable.

### **xii. Interests in Companies and Other Entities**

The Authority has material interests in companies and other entities that have the nature of subsidiaries, associates and jointly controlled entities and require it to prepare group accounts. In the Authority's own single-entity accounts, the interests in companies and other entities are recorded as financial assets at cost, less any provision for losses.

### **xiii. Investment Property**

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



## Notes to the Accounts

Investment properties are measured initially at cost (in accordance with the Council's de minimis policy for capitalisation as set out in note xvi) and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

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

### **xiv. Jointly Controlled Operations and Jointly Controlled Assets**

Jointly controlled operations are activities undertaken by the Authority in conjunction with other venturers that involve the use of assets and resources rather than the establishment of a separate entity. The Authority recognises on its Balance Sheet the assets that it controls and the liabilities that it incurs and debits and credits the Comprehensive Income and Expenditure Statement with the expenditure it incurs and the share of income it earns from the activity of the operation.

Jointly controlled assets are items of property, plant or equipment that are jointly controlled by the Authority and other venturers, with the assets being used to obtain benefits for the venturers. The joint venture does not involve the establishment of a separate entity. The Authority accounts for only its share of the jointly controlled assets, the liabilities and expenses that it incurs on its own behalf or jointly with others in respect of its interest in the joint venture and income that it earns from the venture.

### **xv. Leases**

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

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

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

### The Authority as Lessee

#### Finance Leases

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Authority are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment - applied to write down the lease liability, and
- a finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Authority at the end of the lease period).

The Authority is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

#### Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a rent-free period at the commencement of the lease).

### The Authority as Lessor

#### Finance Leases

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

Lease rentals receivable are apportioned between:

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

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement.

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

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

## *Notes to the Accounts*

### **Operating Leases**

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

Most leases granted by the Authority as lessor relate to commercial properties.

### **xvi. Property, Plant and Equipment**

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

#### **Recognition**

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the 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.

The Council maintains a de minimis value of £20,000 for any asset (or group of similar assets) to be capitalised within the General Fund.

#### **Measurement**

Assets are initially measured at cost, comprising:

- the purchase price,
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

## Notes to the Accounts

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.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the taxation and non-specific grant income and expenditure line of the comprehensive income and expenditure statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the donated assets account. Where gains are credited to the comprehensive income and expenditure statement, they are reversed out of the general fund balance to the capital adjustment account in the movement in reserves statement.

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

- infrastructure and community assets - depreciated historical cost,
- council dwellings - current value, determined using the basis of existing use value for social housing (EUV-SH),
- school buildings - current value, but because of their specialist nature, are measured at depreciated replacement cost which is used as an estimate of current value,
- surplus assets - the current value measurement base is fair value, estimated at highest and best use from a market participant's perspective,
- all other assets - current value, determined as the amount that would be paid for the asset in its existing use (existing use value - EUV).

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

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

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

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

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

## Notes to the Accounts

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

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

### Impairment

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

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

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

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

### Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their estimated useful lives. No charge 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). From 1st April 2017 the Authority charges depreciation based on opening balances.

Depreciation is calculated on the following bases:

- dwellings - straight-line allocation over the estimated useful life of the property (30 to 80 years),
- non traditional dwellings - straight-line allocation over the estimated useful life of the property (30 years),
- other buildings - straight-line allocation over the estimated useful life of the property and, where applicable, its significant components (1 to 60 years),
- vehicles, plant, furniture and equipment - straight line allocation over the estimated useful life of the asset (2 to 10 years),

## Notes to the Accounts

- infrastructure / community assets - straight-line allocation over the estimated useful life of the asset (20 to 40 years),
- surplus assets - per original allocated estimated useful life from original categorisation unless indication of amendments required to this assessment is apparent.

Each accounting period the estimated useful life assigned to individual assets is assessed. Where there is evidence to indicate the departure from a standard useful life the asset's estimated useful life will be amended.

### Component Accounting

In recognition that single assets may have a number of different components each having a different estimated useful life, two factors are taken into account to determine whether a separate valuation of components is to be recognised in the accounts in order to provide an accurate figure for depreciation of the Authority's other land and building assets revalued since 1st April 2010.

#### 1. Suitability of assets.

To 31st March 2016, the Authority deemed assets revalued during the year to be of a suitable significant nature. Asset valuation therefore reflected assessment of component apportionment of Building Fabric 79%, Mechanical 13%, Electrical 8% and respective remaining estimated useful economic life. From 1st April 2016, the Authority has deemed assets revalued under the 5 year rolling programme to be apportioned between land and buildings.

#### 2. Difference in rate of depreciation compared to the overall asset.

Only those elements that normally depreciate at a significantly different rate from the non land element as a whole, had been identified for componentisation. From 1st April 2016, the whole building element will be depreciated using the building fabric's useful life (unless evidence suggests this is to be amended).

Assets that fall below the de-minimis levels and tests above are disregarded for componentisation on the basis that any adjustment to depreciation charges would not result in a material mis-statement in the accounts.

Professional judgement will be used in establishing materiality levels: the significance of components and apportionment applied, useful lives, depreciation methods and apportioning asset values over recognised components.

Where there is a major refurbishment of an asset, a new valuation will be sought in the year of completion and a reassessment of the useful life.



### **Disposals and Non-Current Assets Held for Sale**

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

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

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

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. Such receipts are required to be 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 General Fund Balance in the Movement in Reserves Statement.

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



## *Notes to the Accounts*

### **xvii. Provisions, Contingent Liabilities and Contingent Assets**

#### **Provisions**

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

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

#### **Provision for Back Pay Arising from Unequal Pay Claims**

The Authority implemented an equal pay compliant pay and grading structure from 1st April 2014.

During 2023/24 and 2022/23 the Council did not settle any unequal pay claims.

The Authority has received notification of a new equal pay dispute and initial action lodged via ACAS seeking early conciliation. This covers otherwise intended new equal pay claims against the Authority. A growing number of authorities are seeing new equal pay claims and this was anticipated. This remains at the very early stages of conciliation and discussion but it is in line with expectations and continues to justify the significant addition to the pay provision made in 2022/23 and continued to be held at the same level for 2023/24.

#### **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.

## *Notes to the Accounts*

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

### **Contingent Assets**

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

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

### **xviii. Reserves**

The Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by transferring amounts out of the General Fund Balance. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, local taxation, retirement and employee benefits and do not represent usable resources for the Authority - these reserves are explained in the relevant policies.

### **xix. Revenue Expenditure Funded from Capital under Statute**

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Authority has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

### **xx. VAT**

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

## Notes to the Accounts

The Authority undertakes an annual review of its de-minimus VAT position under s33 of the VAT Act 1993 as required by HMRC. For the year ended 31st March 2024 the Authority believes that it will be below the de-minimus level in respect of exempt related input tax and hence will be entitled to recovery of input tax in full.

### xxi. Fair Value Measurement of non-financial assets

The Authority's accounting policy for fair value measurement of financial assets is set out in note ix. The Authority also measures some of its non-financial assets such as surplus assets and investment properties and some of its financial instruments such as equity shareholdings at fair value at each reporting date. 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.

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 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 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, either directly or indirectly,

Level 3 - unobservable inputs for the asset.

### xxii. Group Accounting Policies

The accounting policies for both City and County of Swansea and City and County of Swansea Group are materially aligned except for the valuation of assets in respect of the Wales National Pool Swansea. The assets of the Wales National Pool Swansea have been valued on a different basis within the company's accounts to that used by the Council for assets of this nature. For the purposes of the Group accounts, the National Pool has been separately valued by the Council in accordance with its own accounting policies. Full disclosure of the different valuations have been included on page 124 to the financial statements.

### 2. Accounting standards that have been issued but have not yet been adopted

The Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the Code) has introduced accounting policy changes in relation to the following:

#### a) IFRS 16 Leases.

IFRS 16 is an International Financial Reporting Standard for lease accounting issued in January 2016.

IFRS 16 requires the Council to recognise right-of-use assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value (below £10k when new).

Implementation has been deferred and will be mandatorily implemented in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (the Code) for 2024/25.

The Council will adopt IFRS 16 on 1st April 2024.

Initial preparatory work carried out by the Council has involved the analysis of existing vehicle leases, contracts held in the Council's contracts register and contracts provided by schools and other departments.

Further work will be carried out during 2024/25 on the Council's fleet and property portfolios, including obtaining valuations for assets leased on a peppercorn basis.

It is reasonable to conclude that when this additional work is complete it is likely to materially impact the Council's accounts, especially after considering property leases, the size of the Council's fleet and any other lease-type arrangements to be reviewed and accounted for under IFRS 16.

#### b) Classification of Liabilities as Current or Non-current (Amendments to IAS 1).

The amendments:

- specify that an entity's right to defer settlement must exist at the end of the reporting period,
- clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement,
- clarify how lending conditions affect classification, and
- clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

## Notes to the Accounts

c) Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions.

d) Non-current Liabilities with Covenants (Amendments to IAS 1).

The amendments improved the information an entity provides when its right to defer settlement of a liability for at least 12 months is subject to compliance with covenants.

e) International Tax Reform: Pillar Two Model Rules (Amendments to IAS 12).

Pillar Two applies to multinational groups with a minimum level of turnover.

f) Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).

The amendments required an entity to provide additional disclosures about its supplier finance arrangements.

The adoption of the accounting standards mentioned above may incur amendments that can be made retrospectively by prior period restatement (if possible) or through the adjustment of opening balances as at 1st April 2023.

Opening balances will be adjusted in the Authority and Group Accounts where the changes are material.

Accounting policy changes that are material will require the Authority to publish a third Balance Sheet for the beginning of the earliest comparative period for the Authority and Group Accounts.

None of these disclosures ((b) to (f)) are expected to have a material impact on the Council.

### 3. 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:-

- The medium term financial plan approved by the Authority on 6th March 2024 detailed significant ongoing uncertainty over forecast revenue funding shortfalls over the medium term. Indications were that there were a range of scenarios for funding which range from significant real terms reductions in support to more modest real terms reductions in support from Central Government from 2025/26 onwards. This is further complicated by an absence of formal comprehensive spending review plans at both a UK and Welsh Government level and widely shared economic commentary indicating that the outline existing plans are not deemed realistic or credible without further tax rises, spending reductions or increased borrowing. Whilst headline inflation rates have dropped significantly, past rises are now embedded and were never fully funded, and current and future inflation facing local government services often far exceeds the headline rate. Prolonged and elevated inflationary, interest rate and supply side pressures mean risks are increasingly on the downside. Whilst the Authority will consider future spending plans in line with projected funding announcements there is no indication at present that any of the assets of the Authority may be impaired as a result of a need to change the level of service provision. There is however material uncertainty over this assumption.
- The Authority implemented an equality compliant pay and grading structure for its employees from 1st April 2014. The Authority continues to face a very small and dwindling residual number of claims from past and existing employees based on previous equal pay claim grounds. In light of recent issues at Birmingham Council, and others, in line with the rest of local government this Council has reassessed its risks here and made a prudent past provision for equal pay. In determining the extent of the possible resources to be set aside the Authority has made assumptions regarding the number of active claimants, potential claimants and the potential value of their respective claims. The Authority is confident that it has sufficient resource to meet the remaining and potentially new liabilities arising from equal pay issues.
- In line with accounting standards the Authority has made a significant provision in respect of final remedial work and future maintenance/monitoring of its major waste disposal site at Tir John. Assumptions regarding remediation and aftercare costs have been based on legal requirements to monitor the site for a period of 60 years following closure and have been calculated taking into account commitments currently within the Council's Capital Programme.

- The Government has made fundamental changes in respect of the provision of public sector pensions. Changes to employer contribution rates in the Teachers' Pension Scheme rose to 28.68% from April 2024. We await funding for the increased costs but note HM Treasury assurances in the Budget that state funded schools will be recompensed for increased costs, albeit that will be via Barnett consequential to Wales in due course. A re-modelled Local Government Pension scheme was introduced from 1st April 2014 but there is no indication that the finances of the Authority will be adversely affected by any of the changes. The LGPS triennial valuation in 2022 has confirmed the affordability of future contribution rates. The 2022 revaluation results confirmed the expected strong investment returns were achieved and were especially beneficial to our funding position, and indeed we were fully funded as a scheme at 31st March 2023, and there are reductions in employer contributions in future budgets from 2023/24 onwards. There remains residual uncertainty as to the impact of the UK Government recompensing scheme members for the McCloud judgement in practice (although now finally reaching a conclusion on the compensation regulations) and a prudent sum was factored in by the actuary in the valuation results for the pension fund and individual employer contribution rates. Scheme funding levels, future employer contribution rates from the 2026/27 budget onwards and final McCloud costs will all be reassessed as we move to the 2025 triennial revaluation results in due course.
- The Authority undertook a fundamental review in 2012/13 of its Schools portfolio with a view to both rationalising and significantly improving the quality of school premises available across the City and County (21st Century Schools Programme). In the light of this scheme and the outline timescale for implementation, the useful lives of some school buildings have been re-evaluated and considerably reduced from that previously used. The effect of this is to accelerate residual depreciation affecting both the Comprehensive Income and Expenditure Statement and the net book value as shown on the Balance Sheet. As the Schools Programme has progressed there has been further re-evaluations however there are no adjustments in 2023/24.

#### 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. The assumptions and other sources of estimation uncertainty disclosed relate to the estimates that require the Authority's most difficult, subjective or complex judgements. As the number of variables and assumptions affecting the possible future resolution of the uncertainties increases, those judgements become more subjective and complex. As a result, balances cannot be determined with certainty and actual results could be materially different from the assumptions and estimates.



## Notes to the Accounts

The items in the Authority's Balance Sheet as at 31st March 2024 for which there is a significant risk of material adjustment in the forthcoming year are as follows:-

| Item                          | Uncertainties   | Effect if actual results differ from assumptions   |
|-------------------------------|---|--|
| Property, Plant and Equipment | <p>Assets are depreciated over useful lives that are dependent upon assumptions over the specific life expectancy of those assets. As stated in note 3 a review has been undertaken of a significant number of school buildings and in particular the impact of the Council's strategic 21st Century Schools Programme plan for asset replacement.</p> <p>In addition revised useful lives have been applied to a number of assets in the interim, in line with professional judgement.</p> | <p>To the extent that useful lives have been determined inappropriately the result could be:-</p> <p>a) In the event of a further reduction in useful lives there would be an additional charge to revenue and a reduction in the carrying value of the asset.</p> <p>b) In the event that useful lives have been underestimated this would result in a substantially reduced revenue charge and an increase in the carrying value of such assets as and when the useful life is deemed to be extended.</p> <p>In any event the effect of depreciation is reversed out of the Comprehensive Income and Expenditure Statement to have nil effect on the Council taxpayer.</p> |
| Provisions                    | <p>The Authority has made a significant capital provision for the future remediation and maintenance of major land refuse disposal sites. Uncertainty arises because of the 60 year timescale for liability on this issue.</p>  | <p>Any shortfall in future years will have to be funded via the capital programme.</p>   |



## Notes to the Accounts

| Item                              | Uncertainties   | Effect if actual results differ from assumptions   |
|-----------------------------------|---|--|
| Pension liabilities               | The Authority's share of the Local Government pension fund liability as at 31st March 2024 is £69.993m. However, the fund is subject to a triennial valuation which at present reviews the level of employers contributions in order to ensure the long term sustainability of the fund. Changes to the Local Government Pension Scheme introduced on 1st April 2014 were designed to ensure the long term affordability of the scheme. | The Pension Fund is designed to be sustainable over the long term and it is unlikely that there will be any significant short term impact on the Authority's finances arising from any assumptions currently made or decisions that are likely in the coming financial year.   |
| Insurance Provisions and Reserves | The Authority has set aside provisions to meet contractual excess amounts from known and existing insurance claims. In deciding the level of provision to make in respect of ongoing claims, the Authority has taken advice from its legal advisers and/or its contracted loss adjusters. The Authority also maintains an insurance reserve which is used to meet the cost of future unforeseen events based on previous experience.    | Should the sums set aside prove insufficient to meet these payments there would be an immediate revenue effect in the year that the available sums were exhausted. Equally, the Authority regularly reviews the level of both provisions and reserves with a view to releasing funds back to revenue if appropriate. |

## Notes to the Accounts

| Item                    | Uncertainties   | Effect if actual results differ from Assumptions  |
|-------------------------|---|---|
| Fair value measurements | <p>When the fair values of financial assets and financial liabilities cannot be measured based on quoted prices in active markets (i.e. Level 1 inputs), their fair value is measured using valuation techniques (e.g. quoted prices for similar assets or liabilities in active markets or the net present value (NPV) model).</p> <p>Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. However, changes in the assumptions used could affect the fair value of the Authority's assets and liabilities.</p> <p>Where Level 1 inputs are not available, the Authority employs experts to identify the most appropriate valuation techniques to determine fair value (for example for surplus assets and investment properties, the Authority's internal property valuation team).</p> <p>Information about the valuation techniques and inputs used in determining the fair value of the Authority's assets and liabilities is disclosed in notes:</p> <p>14. Non-operational PPE (Surplus Assets)<br/>16. Investment Properties<br/>17. Financial Instruments</p> | <p>The authority uses the net present value (NPV) model to measure the fair value of some of its financial assets / liabilities.</p> <p>The significant unobservable inputs used in the fair value measurement include assumptions regarding rent levels, vacancy levels (for investment properties), investment yields and discount rates - for some financial assets.</p> <p>Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for the surplus assets, investment properties and financial assets.</p> |

## Notes to the Accounts

### 5. Material items of income and expense

The Authority does not have any items of material income and expenditure to report that requires additional information in 2022/23 or 2023/24.

### 6. Note to the Expenditure and Funding Analysis

| Adjustments between Funding and Accounting Basis<br>2023/24  |   |   |  |                                      |  |                            |
|--|---|---|--|--------------------------------------|--|----------------------------|
| Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts  | Adjustments for Capital Purposes<br>(Note 1)<br>£'000 | Net Change for Pension Adjustments<br>(Note 2)<br>£'000 | Other Statutory Adjustments<br>(Note 3)<br>£'000 | Total Statutory Adjustments<br>£'000 | Other (Non-statutory) Adjustments<br>(Note 4)<br>£'000 | Total Adjustments<br>£'000 |
| Corporate Services   | 3,044   | -130  | -137   | 2,777                                | -17  | 2,760                      |
| Finance  | 1,314   | -986  | -567   | -239                                 | -24,153  | -24,392                    |
| Social Services  | 1,658   | -601  | -421   | 636                                  | 0  | 636                        |
| Education  | 28,306  | -4,946  | -491   | 22,869                               | 54   | 22,923                     |
| Place  | 26,961  | -644  | -257   | 26,060                               | 3,031  | 29,091                     |
| Housing Revenue Account (HRA)  | 30,680  | -93   | -42  | 30,545                               | 0  | 30,545                     |
| <b>Net Cost of Services</b>  | <b>91,963</b>   | <b>-7,400</b>   | <b>-1,915</b>                                    | <b>82,648</b>                        | <b>-21,085</b>   | <b>61,563</b>              |
| Other income and expenditure from the Expenditure and Funding Analysis   | -103,308  | 2,321   | -39  | -101,026                             | 21,085   | -79,941                    |
| <b>Difference between General Fund Surplus or Deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services</b> | <b>-11,345</b>  | <b>-5,079</b>   | <b>-1,954</b>                                    | <b>-18,378</b>                       | <b>0</b>   | <b>-18,378</b>             |

## Notes to the Accounts

| Adjustments between Funding and Accounting Basis<br>2022/23  |   |   |  |                                      |  |                            |
|--|---|---|--|--------------------------------------|--|----------------------------|
| Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts  | Adjustments for Capital Purposes<br>(Note 1)<br>£'000 | Net Change for Pension Adjustments<br>(Note 2)<br>£'000 | Other Statutory Adjustments<br>(Note 3)<br>£'000 | Total Statutory Adjustments<br>£'000 | Other (Non-statutory) Adjustments<br>(Note 4)<br>£'000 | Total Adjustments<br>£'000 |
| Corporate Services   | 2,701   | 2,775   | 33   | 5,509                                | -39  | 5,470                      |
| Finance  | -618  | -74   | 242  | -450                                 | -22,577  | -23,027                    |
| Social Services  | 1,399   | 10,410  | 245  | 12,054                               | 0  | 12,054                     |
| Education  | 31,147  | 5,602   | 1,180  | 37,929                               | 54   | 37,983                     |
| Place  | 39,131  | 11,203  | 163  | 50,497                               | 3,159  | 53,656                     |
| Housing Revenue Account (HRA)  | 35,920  | 1,644   | -117   | 37,447                               | 0  | 37,447                     |
| <b>Net Cost of Services</b>  | <b>109,680</b>  | <b>31,560</b>   | <b>1,746</b>                                     | <b>142,986</b>                       | <b>-19,403</b>   | <b>123,583</b>             |
| Other income and expenditure from the Expenditure and Funding Analysis   | -105,147  | 18,530  | 49   | -86,568                              | 19,403   | -67,165                    |
| <b>Difference between General Fund Surplus or Deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services</b> | <b>4,533</b>  | <b>50,090</b>   | <b>1,795</b>                                     | <b>56,418</b>                        | <b>0</b>   | <b>56,418</b>              |

### Adjustments for Capital Purposes

- 1) Adjustments for capital purposes - this column adds in depreciation and impairment and revaluation gains and losses in the service line, and for:
- **Other operating expenditure** - adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
  - **Financing and investment income and expenditure** - the statutory charges for capital financing i.e. Minimum Revenue Provision (MRP) 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.

### Net Change for Pension Adjustments

- 2) 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 Comprehensive Income and Expenditure Statement.

### Other Statutory Adjustments

- 3) Other statutory adjustments between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:
- For **Financing and investment income and expenditure** the other statutory adjustments column recognises adjustments to the General Fund for the timing differences for premiums and discounts.
- The charge under **Taxation and non-specific grant income and expenditure** represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future surpluses or deficits on the Collection Fund.

### Other Non-statutory Adjustments

- 4) Other non-statutory adjustments represent amounts debited/credited to service segments which need to be adjusted against the 'Other income and expenditure from the Expenditure and Funding Analysis' line to comply with the presentational requirements in the Comprehensive Income and Expenditure Statement:

For **Financing and investment income and expenditure** the other non-statutory adjustments column recognises adjustments to service segments e.g. for interest income and expenditure and changes in the fair values of investment properties.

For **Taxation and non-specific grant income and expenditure** the other non-statutory adjustments column recognises adjustments to service segments e.g. for unringfenced government grants.

## Notes to the Accounts

### 7a. Expenditure and Income Analysed by Nature

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

| Expenditure/Income  | 2022/23<br>£'000  | 2023/24<br>£'000  |
|---|-------------------|-------------------|
| <b>Expenditure</b>  |                   |                   |
| Employee expenses   | 471,581           | 433,855           |
| Premises  | 56,559            | 70,082            |
| Transport   | 34,455            | 35,537            |
| Supplies & Services                                       | 156,817           | 158,078           |
| Other Costs   | 240,618           | 294,905           |
| Depreciation, amortisation and impairment                 | 103,671           | 94,630            |
| Interest payments   | 25,113            | 25,074            |
| Precepts and levies                                       | 44,808            | 48,926            |
| Gain or loss on the disposal of assets                    | 1,875             | 8,342             |
| <b>Total expenditure</b>                                  | <b>1,135,497</b>  | <b>1,169,429</b>  |
| <b>Income</b>   |                   |                   |
| Fees, charges and other service income                    | -286,176          | -345,302          |
| Interest and investment income                            | -4,280            | -12,840           |
| Income from council tax                                   | -143,425          | -151,483          |
| Government grants and contributions                       | -627,993          | -677,319          |
| <b>Total income</b>                                       | <b>-1,061,874</b> | <b>-1,186,944</b> |
| <b>Surplus(-) or Deficit on the Provision of Services</b> | <b>73,623</b>     | <b>-17,515</b>    |

The £345.302m (22/23 £286.176m) of fees, charges and other service income reported in the Comprehensive Income and Expenditure Statement includes £243.991m (22/23 £218.831m) of revenue recognised from contracts with service recipients.

### 7b. Segmental Income

The table below shows the total of the Authority's revenue recognised from contracts with service recipients.

| Service Recipient Income by Directorate | 2022/23<br>£'000 | 2023/24<br>£'000 |
|---|------------------|------------------|
| Corporate Services                      | 839              | 874              |
| Finance                                 | 1,235            | 1,094            |
| Place                                   | 103,795          | 112,856          |
| Education                               | 23,547           | 32,555           |
| Social Services                         | 17,506           | 19,414           |
| HRA                                     | 71,909           | 77,198           |
| <b>Total Directorates</b>               | <b>218,831</b>   | <b>243,991</b>   |

### 8. Adjustments Between Accounting Basis and Funding Basis Under Regulations

This note details the adjustments that are made to the total Comprehensive Income and Expenditure recognised by the Authority in the year in accordance with proper accounting practice to arrive at the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

The following sets out a description of the reserves that the adjustments are made against.

#### General Fund Balance

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

#### Housing Revenue Account Balance

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

#### Capital Receipts Reserve

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

#### Capital Grants Unapplied

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



## Notes to the Accounts

| 2023/24  |                                  |                                     |                                      |                                      |
|--|----------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|
|  | Usable Reserves                  |                                     |                                      |                                      |
|  | General Fund<br>Balance<br>£'000 | Housing Revenue<br>Account<br>£'000 | Capital Receipts<br>Reserve<br>£'000 | Capital Grants<br>Unapplied<br>£'000 |
| <b>Adjustments to the Revenue Resources</b>  |                                  |                                     |                                      |                                      |
| Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements: |                                  |                                     |                                      |                                      |
| - Pensions costs (transferred to (or from) the Pensions Reserve)   | -5,043                           | -37                                 | 0                                    | 0                                    |
| - Financial instruments (transferred to the Financial Instruments Adjustments Account)   | -219                             | 0                                   | 0                                    | 0                                    |
| - Holiday pay (transferred to the Accumulated Absences Reserve)  | -1,649                           | -42                                 | 0                                    | 0                                    |
| Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account):                  | 17,865                           | 13,354                              | 0                                    | 11,623                               |
| <b>Total Adjustments to Revenue Resources</b>  | <b>10,954</b>                    | <b>13,275</b>                       | <b>0</b>                             | <b>11,623</b>                        |
| <b>Adjustments between Revenue and Capital Resources</b>   |                                  |                                     |                                      |                                      |
| Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve   | 8,344                            | 0                                   | 2,200                                | 0                                    |
| Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)   | -15,888                          | -3,649                              | 0                                    | 0                                    |
| Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)  | -11,338                          | -20,076                             | 0                                    | 0                                    |
| <b>Total Adjustments between Revenue and Capital Resources</b>   | <b>-18,882</b>                   | <b>-23,725</b>                      | <b>2,200</b>                         | <b>0</b>                             |
| <b>Adjustments to Capital Resources</b>  |                                  |                                     |                                      |                                      |
| Use of Capital Receipts Reserve to finance capital expenditure   | 0                                | 0                                   | -5,185                               | 0                                    |
| <b>Total Adjustments to Capital Resources</b>  | <b>0</b>                         | <b>0</b>                            | <b>-5,185</b>                        | <b>0</b>                             |
| <b>Total Adjustments</b>   | <b>-7,928</b>                    | <b>-10,450</b>                      | <b>-2,985</b>                        | <b>11,623</b>                        |

## Notes to the Accounts

| 2022/23 Comparative Figures  |                                  |                                     |                                      |                                      |
|--|----------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|
|  | Usable Reserves                  |                                     |                                      |                                      |
|  | General Fund<br>Balance<br>£'000 | Housing Revenue<br>Account<br>£'000 | Capital Receipts<br>Reserve<br>£'000 | Capital Grants<br>Unapplied<br>£'000 |
| <b>Adjustments to the Revenue Resources</b>  |                                  |                                     |                                      |                                      |
| Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements: |                                  |                                     |                                      |                                      |
| - Pensions costs (transferred to (or from) the Pensions Reserve)   | 47,520                           | 2,570                               | 0                                    | 0                                    |
| - Financial instruments (transferred to the Financial Instruments Adjustments Account)   | 35                               | 0                                   | 0                                    | 0                                    |
| - Holiday pay (transferred to the Accumulated Absences Reserve)  | 1,924                            | -117                                | 0                                    | 0                                    |
| Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account):                  | 31,278                           | 17,763                              | 0                                    | -8,240                               |
| <b>Total Adjustments to Revenue Resources</b>  | <b>80,757</b>                    | <b>20,216</b>                       | <b>0</b>                             | <b>-8,240</b>                        |
| <b>Adjustments between Revenue and Capital Resources</b>   |                                  |                                     |                                      |                                      |
| Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve   | 1,875                            | 0                                   | 10,213                               | 0                                    |
| Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)   | -14,315                          | -3,715                              | 0                                    | 0                                    |
| Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)  | -6,609                           | -21,791                             | 0                                    | 0                                    |
| <b>Total Adjustments between Revenue and Capital Resources</b>   | <b>-19,049</b>                   | <b>-25,506</b>                      | <b>10,213</b>                        | <b>0</b>                             |

## Notes to the Accounts

| 2022/23 Comparative Figures                                    |                                  |                                     |                                      |                                      |
|--|----------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|
|  | Usable Reserves                  |                                     |                                      |                                      |
|  | General Fund<br>Balance<br>£'000 | Housing Revenue<br>Account<br>£'000 | Capital Receipts<br>Reserve<br>£'000 | Capital Grants<br>Unapplied<br>£'000 |
| <b>Adjustments to Capital Resources</b>                        |                                  |                                     |                                      |                                      |
| Use of Capital Receipts Reserve to finance capital expenditure | 0                                | 0                                   | -7,090                               | 0                                    |
| <b>Total Adjustments to Capital Resources</b>                  | <b>0</b>                         | <b>0</b>                            | <b>-7,090</b>                        | <b>0</b>                             |
| <b>Total Adjustments</b>                                       | <b>61,708</b>                    | <b>-5,290</b>                       | <b>3,123</b>                         | <b>-8,240</b>                        |

### 9. Events After the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue.

Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events.

- those that are indicative of conditions that arose after the reporting period - the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

## Notes to the Accounts

### 10. Movements In Earmarked Reserves

This note sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure in 2023/24.

|  | Balance at 1st<br>April 2022<br>£'000 | Transfers Out<br>2022/23<br>£'000 | Transfers In<br>2022/23<br>£'000 | Balance at 31st<br>March 2023<br>£'000 | Transfers Out<br>2023/24<br>£'000 | Transfers In<br>2023/24<br>£'000 | Balance at 31st<br>March 2024<br>£'000 |
|--|---------------------------------------|-----------------------------------|----------------------------------|--|-----------------------------------|----------------------------------|--|
| <b>General Fund:</b>   |                                       |                                   |                                  |  |                                   |                                  |  |
| Balances held by schools under the scheme of delegation      | 28,391                                | -8,292                            | 55                               | 20,155                                 | -3,179                            | 0                                | 16,976                                 |
| Primary School Sickness Scheme Reserve                       | 308                                   | 0                                 | 45                               | 353                                    | 0                                 | 26                               | 379                                    |
| Information technology reserves                              | 12,695                                | -640                              | 4,519                            | 16,574                                 | -2,512                            | 3,774                            | 17,836                                 |
| Development reserves   | 4,906                                 | 0                                 | 217                              | 5,123                                  | -95                               | 160                              | 5,188                                  |
| Insurance reserves   | 17,777                                | 0                                 | 2,650                            | 20,427                                 | -3,195                            | 789                              | 18,021                                 |
| Restructuring Costs reserve                                  | 3,000                                 | -200                              | 0                                | 2,800                                  | -2,800                            | 0                                | 0                                      |
| Contingency Fund reserve                                     | 4,554                                 | -8,285                            | 3,731                            | 0                                      | -2,475                            | 14,896                           | 12,421                                 |
| Recovery Fund reserve  | 39,068                                | -13,306                           | 5,247                            | 31,008                                 | -28,840                           | 1,097                            | 3,265                                  |
| Other earmarked revenue reserves                             | 33,396                                | -5,913                            | 4,584                            | 32,067                                 | -10,078                           | 6,805                            | 28,794                                 |
| Revenue reserve earmarked to fund future capital expenditure | 32,600                                | -15,670                           | 8,884                            | 25,814                                 | 0                                 | 16,874                           | 42,688                                 |
| <b>Total</b>   | <b>176,695</b>                        | <b>-52,306</b>                    | <b>29,932</b>                    | <b>154,321</b>                         | <b>-53,174</b>                    | <b>44,421</b>                    | <b>145,568</b>                         |
| <b>HRA:</b>  |                                       |                                   |                                  |  |                                   |                                  |  |
| Housing Revenue Account                                      | 5,239                                 | 0                                 | 5,169                            | 10,408                                 | 0                                 | 5,890                            | 16,298                                 |
| <b>Total</b>   | <b>5,239</b>                          | <b>0</b>                          | <b>5,169</b>                     | <b>10,408</b>                          | <b>0</b>                          | <b>5,890</b>                     | <b>16,298</b>                          |

## Notes to the Accounts

### 11. Other Operating Expenditure

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| 1,697            | Community Council precepts                             | 1,829            |
| 28,131           | South Wales Police Authority precept                   | 29,674           |
| 14,980           | Levies and Contributions                               | 17,423           |
| 1,875            | Gains(-)/losses on the disposals of non-current assets | 8,342            |
| <b>46,683</b>    |  | <b>57,268</b>    |

### 12. Financing and Investment Income and Expenditure

| 2022/23               |                          |                  |   | 2023/24               |                          |                  |
|-----------------------|--------------------------|------------------|---|-----------------------|--------------------------|------------------|
| Gross<br>Exp<br>£'000 | Gross<br>Income<br>£'000 | Net Exp<br>£'000 |   | Gross<br>Exp<br>£'000 | Gross<br>Income<br>£'000 | Net Exp<br>£'000 |
| 25,113                | 0                        | 25,113           | Interest payable and similar charges  | 25,074                | 0                        | 25,074           |
| 62,240                | -43,710                  | 18,530           | Net interest on the net defined benefit liability/asset(-)                                  | 79,840                | -77,520                  | 2,320            |
| 0                     | -4,280                   | -4,280           | Interest receivable and similar income  | 0                     | -12,840                  | -12,840          |
| 2,537                 | -8,662                   | -6,125           | Income and expenditure in relation to investment properties and changes in their fair value | 2,801                 | -8,400                   | -5,599           |
| -1,827                | 0                        | -1,827           | Impairment losses   | 3,885                 | 0                        | 3,885            |
| <b>88,063</b>         | <b>-56,652</b>           | <b>31,411</b>    |   | <b>111,600</b>        | <b>-98,760</b>           | <b>12,840</b>    |

The income generated from investment properties during the year amounted to £4.629m (2022/23 £4.466m) and changes to the fair value of investment properties amounted to £2.628m (2022/23 £2.987m).

### 13. Taxation and Non Specific Grant Income

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| -143,425         | Council tax income (note 37)                     | -151,483         |
| -89,167          | Non domestic rates                               | -79,002          |
| -297,425         | Non-ringfenced government grants                 | -339,280         |
| -58,737          | Capital grants and contributions                 | -57,318          |
| 0                | Covid-19 Retail leisure hospitality rates relief | 436              |
| <b>-588,754</b>  |  | <b>-626,647</b>  |

## Notes to the Accounts

### 14. Property, Plant and Equipment

| Movements in 2023/24:   |                               |                                      |  |                              |                         |                                       |  |
|---|-------------------------------|--------------------------------------|--|------------------------------|-------------------------|---------------------------------------|--|
|   | Council<br>Dwellings<br>£'000 | Other Land<br>and Buildings<br>£'000 | Vehicles,<br>Plant,<br>Furniture &<br>Equipment<br>£'000 | Community<br>Assets<br>£'000 | Surplus Assets<br>£'000 | Assets Under<br>Construction<br>£'000 | Total Property,<br>Plant and<br>Equipment<br>£'000 |
| <b>Cost or valuation</b>  |                               |                                      |  |                              |                         |                                       |  |
| At 1 April 2023   | 541,241                       | 796,016                              | 47,530   | 19,705                       | 77,925                  | 69,419                                | 1,551,836  |
| Additions (Cap Exp)   | 35,988                        | 16,347                               | 3,136  | 26                           | 1,038                   | 45,058                                | 101,593  |
| Other additions and adjustments   | 0                             | 50                                   | 791  | 0                            | 594                     | 0                                     | 1,435  |
| Accumulated Depreciation written off to Gross Carrying Amount                                       | -9,774                        | -32,008                              | -827   | 0                            | -432                    | 0                                     | -43,041  |
| Revaluation increases / decreases(-) recognised in the Revaluation Reserve                          | 8,251                         | 7,118                                | 0  | -415                         | 2,381                   | 0                                     | 17,335   |
| Revaluation increases / decreases(-) recognised in the Surplus/Deficit on the Provision of Services | -20,793                       | -5,367                               | -25  | -599                         | -339                    | 0                                     | -27,123  |
| Derecognition - disposals   | 0                             | -173                                 | -909   | 0                            | -7,187                  | 0                                     | -8,269   |
| Assets reclassified (to)/from Investment Property   | 0                             | 0                                    | 0  | 0                            | 0                       | 0                                     | 0  |

## Notes to the Accounts

### Movements in 2023/24 (continued):

|   | Council Dwellings<br>£'000 | Other Land and Buildings<br>£'000 | Vehicles, Plant, Furniture & Equipment<br>£'000 | Community Assets<br>£'000 | Surplus Assets<br>£'000 | Assets Under Construction<br>£'000 | Total Property, Plant and Equipment<br>£'000 |
|---|----------------------------|-----------------------------------|---|---------------------------|-------------------------|------------------------------------|--|
| Other movements in cost or valuation                          | 1,339                      | 4,853                             | 0   | 986                       | 5,716                   | -15,317                            | -2,423                                       |
| <b>At 31 March 2024</b>                                       | <b>556,252</b>             | <b>786,836</b>                    | <b>49,696</b>                                   | <b>19,703</b>             | <b>79,696</b>           | <b>99,160</b>                      | <b>1,591,343</b>                             |
| <b>Accumulated Depreciation and Impairment</b>                |                            |                                   |   |                           |                         |                                    |  |
| At 1 April 2023   | 0                          | -6,255                            | -26,473   | -8,158                    | -473                    | -16                                | -41,375                                      |
| Depreciation charge   | -9,801                     | -33,235                           | -6,113  | -401                      | -1,369                  | 0                                  | -50,919                                      |
| Accumulated Depreciation written off to Gross Carrying Amount | 9,774                      | 32,008                            | 827   | 0                         | 432                     | 0                                  | 43,041                                       |
| Derecognition - disposals                                     | 0                          | 0                                 | 884   | 0                         | 59                      | 0                                  | 943  |
| Other movements in depreciation and impairment                | 0                          | -8                                | 0   | 0                         | 9                       | 0                                  | 1  |
| <b>At 31 March 2024</b>                                       | <b>-27</b>                 | <b>-7,490</b>                     | <b>-30,875</b>                                  | <b>-8,559</b>             | <b>-1,342</b>           | <b>-16</b>                         | <b>-48,309</b>                               |
| <b>Net Book Value</b>   |                            |                                   |   |                           |                         |                                    |  |
| At 1 April 2023   | 541,241                    | 789,761                           | 21,057  | 11,547                    | 77,452                  | 69,403                             | 1,510,461                                    |
| At 31 March 2024  | 556,225                    | 779,346                           | 18,821  | 11,144                    | 78,354                  | 99,144                             | 1,543,034                                    |

## Notes to the Accounts

### Restated Comparative Movements in 2022/23:

|   | Council<br>Dwellings<br>£'000 | Other Land<br>and Buildings<br>£'000 | Vehicles,<br>Plant,<br>Furniture &<br>Equipment<br>£'000 | Community<br>Assets<br>£'000 | Surplus<br>Assets<br>£'000 | Assets Under<br>Construction<br>£'000 | Total Property,<br>Plant and<br>Equipment<br>£'000 |
|---|-------------------------------|--------------------------------------|--|------------------------------|----------------------------|---------------------------------------|--|
| <b>Cost or valuation</b>  |                               |                                      |  |                              |                            |                                       |  |
| At 1 April 2022   | 525,129                       | 850,543                              | 42,639   | 19,473                       | 80,235                     | 73,298                                | 1,591,317  |
| Additions (Cap Exp)   | 37,858                        | 18,895                               | 4,242  | 225                          | 3,503                      | 27,656                                | 92,379   |
| Other additions and adjustments   | 0                             | 638                                  | 803  | 0                            | 292                        | 0                                     | 1,733  |
| Accumulated Depreciation written off to Gross Carrying Amount                                       | -9,272                        | -37,191                              | 0  | 0                            | -1,785                     | 0                                     | -48,248  |
| Revaluation increases / decreases(-) recognised in the Revaluation Reserve                          | 5,856                         | -41,579                              | 0  | 0                            | 2,478                      | 0                                     | -33,245  |
| Revaluation increases / decreases(-) recognised in the Surplus/Deficit on the Provision of Services | -26,595                       | -10,700                              | 0  | 0                            | -2,916                     | 0                                     | -40,211  |
| Derecognition - disposals   | 0                             | -6,955                               | -217   | 0                            | -4,764                     | 0                                     | -11,936  |
| Assets reclassified (to)/from Investment Property   | 0                             | 80                                   | 0  | 0                            | 0                          | 0                                     | 80   |
| Other movements in cost or valuation  | 8,265                         | 22,285                               | 63   | 7                            | 882                        | -31,535                               | -33  |
| <b>At 31 March 2023</b>   | <b>541,241</b>                | <b>796,016</b>                       | <b>47,530</b>  | <b>19,705</b>                | <b>77,925</b>              | <b>69,419</b>                         | <b>1,551,836</b>                                   |



## Notes to the Accounts

### Restated Comparative Movements in 2022/23 (continued):

|   | Council Dwellings<br>£'000 | Other Land and<br>Buildings<br>£'000 | Vehicles, Plant,<br>Furniture &<br>Equipment<br>£'000 | Community Assets<br>£'000 | Surplus Assets<br>£'000 | Assets Under<br>Construction<br>£'000 | Total Property,<br>Plant and<br>Equipment<br>£'000 |
|---|----------------------------|--------------------------------------|---|---------------------------|-------------------------|---------------------------------------|--|
| <b>Accumulated Depreciation and Impairment</b>                |                            |                                      |   |                           |                         |                                       |  |
| At 1 April 2022   | 0                          | -12,282                              | -21,145   | -7,770                    | -1,020                  | -39                                   | -42,256  |
| Depreciation charge   | -9,245                     | -31,301                              | -5,545  | -388                      | -1,156                  | 0                                     | -47,635  |
| Accumulated Depreciation written off to Gross Carrying Amount | 9,272                      | 37,191                               | 0   | 0                         | 1,785                   | 0                                     | 48,248   |
| Derecognition - disposals                                     | 0                          | 2                                    | 217   | 0                         | 49                      | 0                                     | 268  |
| Other movements in depreciation and impairment                | -27                        | 135                                  | 0   | 0                         | -131                    | 23                                    | 0  |
| <b>At 31 March 2023</b>                                       | <b>0</b>                   | <b>-6,255</b>                        | <b>-26,473</b>  | <b>-8,158</b>             | <b>-473</b>             | <b>-16</b>                            | <b>-41,375</b>                                     |
| <b>Net Book Value</b>   |                            |                                      |   |                           |                         |                                       |  |
| At 1 April 2022   | 525,129                    | 838,261                              | 21,494  | 11,703                    | 79,215                  | 73,259                                | 1,549,061  |
| At 31 March 2023  | 541,241                    | 789,761                              | 21,057  | 11,547                    | 77,452                  | 69,403                                | 1,510,461  |

During 2023/24 the Council has streamlined the presentation of Property, Plant and Equipment including restating 2022/23 in line with a newly implemented CIPFA asset management accounting system and in continued accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

## Notes to the Accounts

In accordance with the temporary relief offered by the update to the Code on infrastructure assets this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets.

Up until 2021/22, historical reporting practices and resultant information deficits had meant infrastructure assets figures did not faithfully represent the asset position to the users of the financial statements.

From 2022/23 the Authority has used the interim guidance provided by CIPFA to revise infrastructure assets to bring them in line with the guidance. The temporary dispensation afforded within the CIPFA guidance is still in use, until such time that the guidance from CIPFA is finalised and the revised infrastructure assets can be audited in line with the finalised guidance.

The following table summarised the movement in the net book value of infrastructure assets over the year:

| 2022/23<br>£'000 |   | 2023/24<br>£'000 |
|------------------|---|------------------|
| <b>265,550</b>   | <b>Net Book Value (modified historic cost) at 1 April</b> | <b>271,143</b>   |
| 20,682           | Additions   | 21,953           |
| -1,373           | Derecognition   | -3,218           |
| -14,121          | Depreciation  | -15,257          |
| 0                | Impairment  | 0                |
| 405              | Other movements in cost                                   | 1,422            |
| <b>271,143</b>   | <b>Net Book Value at 31 March</b>                         | <b>276,043</b>   |

### Capital Commitments

As at 31st March 2024 the Authority has entered into a number of contracts for the construction or enhancement of Property, Plant and Equipment in 2023/24 and future years budgeted to cost £62.850m. Similar commitments at 31st March 2023 were £76.156m.

The major commitments are:

|  |              |
|--|--------------|
|  | <b>£'000</b> |
| Swansea Central/Arena                                      | 364          |
| Lower Swansea Valley Hafod Copperworks Laboratory Building | 3,542        |
| Lower Swansea Valley Hafod Copperworks Museum Extension    | 2,093        |
| 71-72 Kingsway Offices                                     | 4,395        |
| Palace Theatre Redevelopment                               | 298          |
| Y Storfa Community Hub                                     | 14,690       |

## Notes to the Accounts

|  | <b>£'000</b> |
|--|--------------|
| Seawall Repairs Mumbles                | 15,485       |
| Bishopston Comp Refurbishment (Band B) | 790          |
| Cefn Hengoed Community Hub             | 462          |
| HRA                                    | 11,693       |

### Revaluations

The Authority carries out a rolling programme that ensures that all property, plant and equipment required to be measured at current value is revalued at least every five years. All valuations were carried out internally with the exception of Swansea Marina, which was valued externally by experts. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. The valuation dates for 2023/24 were 30th June 2023, 30th September 2023, 31st December 2023 and 31st March 2024.

The main asset groups revalued during 2023/24 are shown below within the current rolling programme:

| Year    | Other Land & Buildings  | Surplus Assets                                 | Council Dwellings              |
|---------|---|--|--------------------------------|
| 2020/21 | Secondary Schools,<br>Other Education,<br>Community Centres, Day<br>Centres, Centres for<br>Older People and Youth<br>Clubs | City Centre                                    | -                              |
| 2021/22 | Car Parks, Toilets,<br>Changing Rooms,<br>Pavilions, Industrial,<br>Homes for Older Persons                                 | Land Only and<br>Miscellaneous                 | -                              |
| 2022/23 | Primary Schools, Leisure<br>Facilities, Civic Amenity<br>Sites and Miscellaneous  | Residential shared %<br>and Agricultural       | -                              |
| 2023/24 | Libraries and Offices   | Industrial Estates and<br>Residential Freehold | Sheltered Housing<br>Complexes |
| 2024/25 | -   | -  | Council Houses / Flats         |

Assets transferred from Assets Under Construction are also revalued internally each year. During 2023/24, there was movement in build costs and house prices. Assets valued on a Depreciated Replacement Cost (DRC) basis and the Council's housing stock have been impacted by these movements. Therefore, they have also been revalued at 31st March 2024. For some groups of assets e.g. primary schools, a sample of properties were revalued and the percentage change was applied to the remainder in that group. In 2025/26, the rolling programme will be reviewed and implemented accordingly.

## Notes to the Accounts

### Non-operational Property, Plant and Equipment (Surplus Assets)

#### Fair Value Hierarchy

Details of the Authority's surplus assets and information about fair value hierarchy as at 31 March 2024 and 31 March 2023 are as follows:

|  | Quoted prices in active markets for identical assets | Other significant observable inputs | Significant unobservable inputs | Fair Value as at 31st March |
|--|--|-------------------------------------|---------------------------------|-----------------------------|
| 2023/24                                  | (Level 1)  | (Level 2)                           | (Level 3)                       |                             |
| Recurring fair value measurements using: | £'000  | £'000                               | £'000                           | £'000                       |
| Agricultural                             | 0  | 0                                   | 860                             | 860                         |
| City Centre                              | 0  | 3,657                               | 9,415                           | 13,072                      |
| Industrial Units                         | 0  | 0                                   | 3,672                           | 3,672                       |
| Land only                                | 0  | 1,654                               | 36,083                          | 37,737                      |
| High Value                               | 0  | 0                                   | 0                               | 0                           |
| Residential Freeholds (LRA)              | 0  | 237                                 | 237                             | 474                         |
| Residential shared %                     | 0  | 0                                   | 953                             | 953                         |
| Miscellaneous                            | 0  | 6,182                               | 12,732                          | 18,914                      |
| Offices                                  | 0  | 0                                   | 2,672                           | 2,672                       |
| <b>Total</b>                             | <b>0</b>   | <b>11,730</b>                       | <b>66,624</b>                   | <b>78,354</b>               |
| Restated 2022/23 Comparative Figures     |  |                                     |                                 |                             |
|  | (Level 1)  | (Level 2)                           | (Level 3)                       |                             |
| Recurring fair value measurements using: | £'000  | £'000                               | £'000                           | £'000                       |
| Agricultural                             | 0  | 0                                   | 860                             | 860                         |
| City Centre                              | 0  | 4,871                               | 9,647                           | 14,518                      |
| Industrial Units                         | 0  | 0                                   | 3,254                           | 3,254                       |
| Land only                                | 0  | 1,654                               | 36,846                          | 38,500                      |
| High Value                               | 0  | 0                                   | 325                             | 325                         |
| Residential Freeholds (LRA)              | 0  | 280                                 | 0                               | 280                         |
| Residential shared %                     | 0  | 0                                   | 1,027                           | 1,027                       |
| Miscellaneous                            | 0  | 5,913                               | 12,212                          | 18,125                      |
| Offices                                  | 0  | 0                                   | 563                             | 563                         |
| <b>Total</b>                             | <b>0</b>   | <b>12,718</b>                       | <b>64,734</b>                   | <b>77,452</b>               |

During 2023/24 the Council has streamlined the presentation of the Fair Value Hierarchy (including restating 2022/23 to net book value of surplus assets rather than gross carrying amount) in line with a newly implemented CIPFA asset management accounting system.

## *Notes to the Accounts*

### **Valuation Techniques used to Determine Level 2 and 3 Fair Values for Surplus Assets**

#### **Significant Observable Inputs - Level 2**

The fair value for some properties has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the local Authority area. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy.

#### **Significant Unobservable Inputs - Level 3**

The industrial estates owned by the Authority are measured using a rental value and yields derived from sale transactions of comparable properties in similar locations. The approach has been developed using the Authority's own data requiring it to factor in assumptions such as the location, date of sale and size of property let or sold.

The Authority's industrial estates are therefore categorised as Level 3 in the fair value hierarchy as the measurement technique uses significant unobservable inputs to determine the fair value measurements (and there is no reasonably available information that indicates that market participants would use different assumptions).

#### **Highest and Best Use of Surplus Assets**

In estimating the fair value of the Authority's surplus assets, the highest and best use of the properties is sometimes their current use and sometimes, as in the case of vacant land and buildings, is the value assuming another use or if planning permission would be granted for development or refurbishment.

## Notes to the Accounts

### Quantitative Information about Fair Value Measurement of Surplus Assets using Significant Unobservable Inputs - Level 3

|                                | As at<br>31/03/2024<br>£'000 | Valuation technique<br>used to measure fair<br>value | Unobservable<br>inputs | Range (weighted<br>average used) | Sensitivity   |
|--------------------------------|------------------------------|--|------------------------|----------------------------------|---|
| Agricultural                   | 860                          | Market Approach                                      | Land Value<br>per acre | £2,000 - £5,000 per<br>acre      | Significant changes in land value and yield<br>will result in significantly lower or higher fair<br>value |
| City Centre                    | 9,415                        | Market Approach                                      | Rents                  | Zone A £125 to £550<br>per sq m  | Significant changes in rent and yields will<br>result in significantly lower or higher fair<br>value      |
|                                |                              |  | Yield                  | 6 - 12%                          |   |
| Industrial Units               | 3,672                        | Market Approach                                      | Yield                  | 5 - 11%                          | Significant changes in rent and yields will<br>result in significantly lower or higher fair<br>value      |
|                                |                              |  | Rents                  | Various                          |   |
| Land Only                      | 36,083                       | Market Approach                                      | Land Value<br>per acre | £80,000 to £600,000<br>per acre  | Significant changes in land value per acre<br>will result in significantly lower or higher fair<br>value  |
| High Value                     | 0                            | Market Approach                                      | Yield                  | Various                          | Significant changes in rent and yields will<br>result in significantly lower or higher fair<br>value      |
|                                |                              |  | Rents                  | Various                          |   |
| Residential<br>shared %        | 953                          | Market Approach                                      | Capital Value          | £125,000 - £170,000              | Significant changes in capital value will result<br>in a change to the fair value                         |
| Residential<br>Freeholds (LRA) | 237                          | Market Approach                                      | Open Market<br>Value   | Various                          | Significant changes in open market value will<br>result in a change to the fair value                     |
| Miscellaneous                  | 12,732                       | Market Approach                                      | Yield                  | 5 - 12%                          | Significant changes in rent and yields will<br>result in significantly lower or higher fair<br>value      |
|                                |                              |  | Rents                  | Various                          |   |
| Offices                        | 2,672                        | Market Approach                                      | Yield                  | 9.5 - 14%                        | Significant changes in rent and yields will<br>result in significantly lower or higher fair<br>value      |
|                                |                              |  | Rents                  | £25 to £90 per sq m              |   |
| <b>TOTAL</b>                   | <b>66,624</b>                |  |                        |                                  |   |

## Notes to the Accounts

### Valuation Process for Surplus Assets

The fair value of the Authority's surplus assets is measured under a rolling programme. All valuations are carried out internally, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS). The Authority's valuation experts work closely with finance officers reporting directly to the Director of Finance & Section 151 Officer on a regular basis regarding all valuation matters.

### 15. Heritage Assets

Reconciliation of the Carrying Value of Heritage Assets Held by the Authority.

|   | Heritage<br>Land,<br>Buildings &<br>Infrastructure<br>£'000 | Art &<br>Museums<br>£'000 | Furniture,<br>Fixtures &<br>Fittings<br>£'000 | Other<br>£'000 | Total Assets<br>£'000 |
|---|---|---------------------------|---|----------------|-----------------------|
| <b>Cost or Valuation</b>  |   |                           |   |                |                       |
| At 1st April 2022   | 4,720   | 22,709                    | 2,955   | 1,795          | 32,179                |
| Additions (Cap Exp)   | 23  | 2                         | 0   | 61             | 86                    |
| Additions (Other)   | 0   | 382                       | 0   | 0              | 382                   |
| Revaluations recognised in the Revaluation Reserve                          | 0   | 61                        | 0   | 0              | 61                    |
| Revaluations recognised in the Surplus/Deficit on the Provision of Services | 0   | 0                         | 0   | -61            | -61                   |
| Reclassifications   | -387  | 0                         | 0   | 0              | -387                  |
| <b>At 31st March 2023</b>   | <b>4,356</b>  | <b>23,154</b>             | <b>2,955</b>                                  | <b>1,795</b>   | <b>32,260</b>         |
| <b>Cost or Valuation</b>  |   |                           |   |                |                       |
| At 1st April 2023   | 4,356   | 23,154                    | 2,955   | 1,795          | 32,260                |
| Additions (Cap Exp)   | 9   | 4                         | 0   | 143            | 156                   |
| Additions (Other)   | 0   | 317                       | 0   | 0              | 317                   |
| Revaluations recognised in the Revaluation Reserve                          | 0   | -64                       | 0   | 386            | 322                   |
| Revaluations recognised in the Surplus/Deficit on the Provision of Services | -968  | 0                         | 0   | -143           | -1,111                |
| Reclassifications   | 978   | 0                         | 0   | 0              | 978                   |
| <b>At 31st March 2024</b>   | <b>4,375</b>  | <b>23,411</b>             | <b>2,955</b>                                  | <b>2,181</b>   | <b>32,922</b>         |

## Notes to the Accounts

### Heritage Land, Buildings and Infrastructure

The Authority's heritage land, buildings and infrastructure assets are reported in the Balance Sheet at historic cost (e.g. Oystermouth Castle) and at valuation (e.g. Weighbridge Building, Hafod Copperworks). Valuations have been carried out internally by the Authority's internal RICS valuer and internal highways engineer.

### Art & Museums

The Authority's art and museums assets are mainly included at insurance valuation by external valuers. This category includes the Brangwyn Hall panels and other paintings also various exhibitions held by the Authority.

### Other

Most of the remaining assets included are reported in the Balance Sheet at insurance valuation (e.g. Brangwyn Hall Organ). However, there are some held at historic cost (e.g. Cenotaph).

## 16. Investment Properties

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

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| 4,466            | Rental income from investment property                     | 4,629            |
| -1,327           | Direct operating expenses arising from investment property | -1,659           |
| <b>3,139</b>     | <b>Net gain</b>  | <b>2,970</b>     |

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

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

| 2022/23<br>£'000 |   | 2023/24<br>£'000 |
|------------------|---|------------------|
| <b>54,182</b>    | <b>Balance at start of the year</b>             | <b>57,019</b>    |
|                  | Additions:                                      |                  |
| 0                | - Other   | 21               |
| -70              | Disposals                                       | 0                |
| 2,987            | Net gains/losses(-) from fair value adjustments | 2,628            |
| -80              | Transfers from Property, Plant and Equipment    | 0                |
| <b>57,019</b>    | <b>Balance at end of the year</b>               | <b>59,668</b>    |



## Notes to the Accounts

### Fair Value measurement of investment property - Fair Value Hierarchy

Details of the Authority's investment properties and information about fair value hierarchy as at 31 March 2024 and 31 March 2023 are as follows:

| 2023/24   |  |                                     |                                 |                             |
|---|--|-------------------------------------|---------------------------------|-----------------------------|
|   | Quoted prices in active markets for identical assets | Other significant observable inputs | Significant unobservable inputs | Fair value as at 31st March |
|   | (Level 1)  | (Level 2)                           | (Level 3)                       |                             |
|   | £'000  | £'000                               | £'000                           | £'000                       |
| <b>Recurring fair value measurements using:</b> |  |                                     |                                 |                             |
| Enterprise Park                                 | 0  | 12,616                              | 15,959                          | 28,575                      |
| High Value                                      | 0  | 2,382                               | 28,711                          | 31,093                      |
| <b>Total</b>                                    | <b>0</b>   | <b>14,998</b>                       | <b>44,670</b>                   | <b>59,668</b>               |
| 2022/23 Comparative Figures                     |  |                                     |                                 |                             |
|   | (Level 1)  | (Level 2)                           | (Level 3)                       |                             |
|   | £'000  | £'000                               | £'000                           | £'000                       |
| <b>Recurring fair value measurements using:</b> |  |                                     |                                 |                             |
| Enterprise Park                                 | 0  | 12,021                              | 15,319                          | 27,340                      |
| High Value                                      | 0  | 4,859                               | 24,820                          | 29,679                      |
| <b>Total</b>                                    | <b>0</b>   | <b>16,880</b>                       | <b>40,139</b>                   | <b>57,019</b>               |

### Valuation Techniques used to Determine Level 2 and 3 Fair Values for Investment Properties

#### Significant Observable Inputs - Level 2

The fair value of some of the commercial portfolio has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the local Authority area. Sometimes market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised at Level 2 in the fair value hierarchy.

#### Significant Unobservable Inputs - Level 3

Some of the Authority's commercial portfolio is categorised as Level 3 in the fair value hierarchy as the measurement technique uses significant unobservable inputs to determine the fair value measurements (and there is no reasonably available information that indicates that market participants would use different assumptions).

#### Highest and Best Use of Surplus Assets

In estimating the fair value of some of the Authority's investment properties, the highest and best use of the properties is their current use. In some cases, alternative uses have been assumed (subject to planning permission being granted).

## Notes to the Accounts

### Quantitative Information about Fair Value Measurement of Investment Properties using Significant Unobservable Inputs - Level 3

|                    | As at<br>31/03/2024<br>£'000 | Valuation<br>technique<br>used to<br>measure fair<br>value | Unobservable<br>inputs | Range<br>(weighted<br>average<br>used) | Sensitivity   |
|--------------------|------------------------------|--|------------------------|--|---|
| Enterprise<br>Park | 15,959                       | Market<br>Approach   | Yield                  | 4.5 - 12%                              | Significant changes in<br>rents and yields will<br>result in significantly<br>lower or higher fair<br>value |
|                    |                              |  | Rent                   | Various                                |   |
| High Value         | 28,711                       | Market<br>Approach   | Yield                  | Various                                | Significant changes in<br>rents and yields will<br>result in significantly<br>lower or higher fair<br>value |
|                    |                              |  | Rent                   | Various                                |   |
| <b>TOTAL</b>       | <b>44,670</b>                |  |                        |  |   |

## Notes to the Accounts

### 17. Financial Instruments

#### Categories of Financial Instruments

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

#### Financial Assets:

|   | Non-Current           |                       |                       |                       | Current               |                       |                       |                       | Totals                |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | Investments           |                       | Debtors               |                       | Investments           |                       | Debtors               |                       | Totals                |                       |
|   | 31st<br>March<br>2024 | 31st<br>March<br>2023 | 31st<br>March<br>2024 | 31st<br>March<br>2023 | 31st<br>March<br>2024 | 31st<br>March<br>2023 | 31st<br>March<br>2024 | 31st<br>March<br>2023 | 31st<br>March<br>2024 | 31st<br>March<br>2023 |
|   | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 |
| Fair value through profit or loss   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| Amortised cost  | 24                    | 24                    | 19,725                | 14,644                | 135,338               | 172,679               | 124,901               | 118,699               | 279,988               | 306,046               |
| Fair value through other comprehensive income - designated equity instruments | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| Fair value through other comprehensive income - other                         | 70                    | 75                    | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 70                    | 75                    |
| <b>Total financial assets</b>   | <b>94</b>             | <b>99</b>             | <b>19,725</b>         | <b>14,644</b>         | <b>135,338</b>        | <b>172,679</b>        | <b>124,901</b>        | <b>118,699</b>        | <b>280,058</b>        | <b>306,121</b>        |
| Assets not defined as financial instruments                                   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| <b>Total</b>  | <b>94</b>             | <b>99</b>             | <b>19,725</b>         | <b>14,644</b>         | <b>135,338</b>        | <b>172,679</b>        | <b>124,901</b>        | <b>118,699</b>        | <b>280,058</b>        | <b>306,121</b>        |

#### Financial Liabilities:

|  | Non-Current           |                       |                       |                       | Current               |                       |                       |                       | Totals                |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | Borrowings            |                       | Creditors             |                       | Borrowings            |                       | Creditors             |                       | Totals                |                       |
|  | 31st<br>March<br>2024 | 31st<br>March<br>2023 | 31st<br>March<br>2024 | 31st<br>March<br>2023 | 31st<br>March<br>2024 | 31st<br>March<br>2023 | 31st<br>March<br>2024 | 31st<br>March<br>2023 | 31st<br>March<br>2024 | 31st<br>March<br>2023 |
|  | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 | £'000                 |
| Fair value through profit or loss                | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| Amortised cost                                   | 671,298               | 693,547               | 2,049                 | 2,548                 | 13,980                | 9,026                 | 77,099                | 62,351                | 764,426               | 767,472               |
| <b>Total financial liabilities</b>               | <b>671,298</b>        | <b>693,547</b>        | <b>2,049</b>          | <b>2,548</b>          | <b>13,980</b>         | <b>9,026</b>          | <b>77,099</b>         | <b>62,351</b>         | <b>764,426</b>        | <b>767,472</b>        |
| Liabilities not defined as financial instruments | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| <b>Total</b>                                     | <b>671,298</b>        | <b>693,547</b>        | <b>2,049</b>          | <b>2,548</b>          | <b>13,980</b>         | <b>9,026</b>          | <b>77,099</b>         | <b>62,351</b>         | <b>764,426</b>        | <b>767,472</b>        |

## Notes to the Accounts

### Income, Expense, Gains and Losses

|   | 2023/24   |  | 2022/23   |  |
|---|---|--|---|--|
|   | Surplus or Deficit on the Provision of Services | Other Comprehensive Income and Expenditure | Surplus or Deficit on the Provision of Services | Other Comprehensive Income and Expenditure |
|   | £'000   | £'000                                      | £'000   | £'000                                      |
| <b>Net gains/losses on:</b>   |   |  |   |  |
| Financial assets measured at fair value through profit or loss                                | 0   | 0  | 0   | 0  |
| Financial assets measured at amortised cost   | 0   | 0  | 0   | 0  |
| Investments in equity instruments designated at fair value through other comprehensive income | 0   | 0  | 0   | 0  |
| Financial assets measured at fair value through other comprehensive income                    | 0   | 0  | 0   | 0  |
| Financial liabilities measured at fair value through profit or loss                           | 0   | 0  | 0   | 0  |
| Financial liabilities measured at amortised cost  | 0   | 0  | 0   | 0  |
| <b>Total net gains/losses</b>   | <b>0</b>  | <b>0</b>                                   | <b>0</b>  | <b>0</b>                                   |
| <b>Interest revenue:</b>  |   |  |   |  |
| Financial assets measured at amortised cost   | 12,453  | 0  | 4,401   | 0  |
| Other financial assets measured at fair value through other comprehensive income              | 0   | 0  | 0   | 0  |
| <b>Total interest revenue</b>   | <b>12,453</b>                                   | <b>0</b>                                   | <b>4,401</b>                                    | <b>0</b>                                   |
| <b>Interest expense</b>   | <b>-25,062</b>                                  | <b>0</b>                                   | <b>-25,017</b>                                  | <b>0</b>                                   |
| <b>Fee income:</b>  |   |  |   |  |
| Financial assets or financial liabilities that are not at fair value through profit or loss   | 0   | 0  | 0   | 0  |
| Trust and other fiduciary activities  | 0   | 0  | 0   | 0  |
| <b>Total fee income</b>   | <b>0</b>  | <b>0</b>                                   | <b>0</b>  | <b>0</b>                                   |
| <b>Fee expense:</b>   |   |  |   |  |
| Financial assets or financial liabilities that are not at fair value through profit or loss   | 0   | 0  | 0   | 0  |
| Trust and other fiduciary activities  | 0   | 0  | 0   | 0  |
| <b>Total fee expense</b>  | <b>0</b>  | <b>0</b>                                   | <b>0</b>  | <b>0</b>                                   |

## Notes to the Accounts

### Fair Values of Assets and Liabilities that are not measured at Fair Value

Except for the financial assets carried at fair value, all other financial liabilities and financial assets held by the Authority are carried in the Balance Sheet at amortised cost. We have calculated fair values for all instruments in the portfolio, but only disclose those which are materially different from the carrying value. The fair values calculated are as follows:

#### Financial Liabilities

|  | 2023/24         |                | 2022/23         |                |
|--|-----------------|----------------|-----------------|----------------|
|  | Carrying amount | Fair Value     | Carrying amount | Fair Value     |
|  | £'000           | £'000          | £'000           | £'000          |
| Financial liabilities held at amortised cost | 634,080         | 517,408        | 659,080         | 583,090        |
| Long-term creditors                          | 2,049           | 2,049          | 2,548           | 2,548          |
| <b>Total</b>                                 | <b>636,129</b>  | <b>519,457</b> | <b>661,628</b>  | <b>585,638</b> |

The fair value of borrowings is lower than the carrying amount because the Authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is lower than the prevailing rates at the Balance Sheet date. This shows a notional future gain (based on economic conditions at 31 March 2024) arising from a commitment to pay interest to lenders below current market rates.

#### Financial Assets

|   | 2023/24         |                | 2022/23         |                |
|---|-----------------|----------------|-----------------|----------------|
|   | Carrying amount | Fair Value     | Carrying amount | Fair Value     |
|   | £'000           | £'000          | £'000           | £'000          |
| Financial assets held at amortised cost | 135,338         | 135,338        | 172,679         | 172,679        |
| Long-term debtors                       | 19,725          | 19,725         | 14,644          | 14,644         |
| <b>Total</b>                            | <b>155,063</b>  | <b>155,063</b> | <b>187,323</b>  | <b>187,323</b> |

The fair value of the financial assets is equivalent to the carrying amount because the Authority's portfolio of investments comprises of short dated investments whose fair value is equivalent to the carrying value as at 31st March 2024.

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

## Notes to the Accounts

Fair Value hierarchy for financial assets and financial liabilities that are not measured at Fair Value

|  | 31 March 2024  |  |   |                |
|--|--|--|---|----------------|
|  | Quoted prices<br>in active<br>markets for<br>identical<br>assets<br><br>(Level 1)<br>£'000 | Other<br>significant<br>observable<br>inputs<br><br>(Level 2)<br>£'000 | Significant<br>unobservable<br>inputs<br><br>(Level 3)<br>£'000 | Total<br>£'000 |
| <b>Recurring fair value measurements using:</b>      |  |  |   |                |
| <b>Financial liabilities</b>                         |  |  |   |                |
| <i>Financial liabilities held at amortised cost:</i> |  |  |   |                |
| Loans/borrowings                                     | 0  | 36,348   | 0   | 36,348         |
| Long-term creditors                                  | 0  | 0  | 0   | 0              |
| <b>Total</b>   | <b>0</b>   | <b>36,348</b>  | <b>0</b>  | <b>36,348</b>  |
| <b>Financial assets</b>                              |  |  |   |                |
| <i>Financial assets held at amortised cost:</i>      |  |  |   |                |
| Other financial assets                               | 0  | 0  | 0   | 0              |
| <b>Total</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>  | <b>0</b>       |

|  | 31 March 2023 Comparative Year   |  |   |                |
|--|--|--|---|----------------|
|  | Quoted prices<br>in active<br>markets for<br>identical<br>assets<br><br>(Level 1)<br>£'000 | Other<br>significant<br>observable<br>inputs<br><br>(Level 2)<br>£'000 | Significant<br>unobservable<br>inputs<br><br>(Level 3)<br>£'000 | Total<br>£'000 |
| <b>Recurring fair value measurements using:</b>      |  |  |   |                |
| <b>Financial liabilities</b>                         |  |  |   |                |
| <i>Financial liabilities held at amortised cost:</i> |  |  |   |                |
| Loans/borrowings                                     | 0  | 33,414   | 0   | 33,414         |
| Long-term creditors                                  | 0  | 0  | 0   | 0              |
| <b>Total</b>   | <b>0</b>   | <b>33,414</b>  | <b>0</b>  | <b>33,414</b>  |
| <b>Financial assets</b>                              |  |  |   |                |
| <i>Financial assets held at amortised cost:</i>      |  |  |   |                |
| Other financial assets                               | 0  | 0  | 0   | 0              |
| <b>Total</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>  | <b>0</b>       |

## Notes to the Accounts

The fair value for financial liabilities and financial assets that are not measured at fair value included in levels 2 and 3 in the previous table have been arrived at using a discounted cash flow analysis, with the most significant inputs being the discount rate.

The fair value for financial liabilities and financial assets that are not measured at fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

| Financial Assets   | Financial Liabilities  |
|--|--|
| - no early repayment or impairment is recognised   | - no early repayment is recognised   |
| - estimated ranges of interest rates at 31 March 2024 of 5.14% to 7.00% for loans receivable, based on new lending rates for equivalent loans at that date | - estimated ranges of interest rates at 31 March 2024 of 4.81% to 5.42% for loans payable based on new lending rates for equivalent loans at that date |
| - the fair value of trade and other receivables is taken to be the invoiced or billed amount   | - the fair value of WG loans are taken at nominal value  |

## Notes to the Accounts

### 18. Short Term Debtors

| 31st March<br>2023<br>£'000 |                                       | 31st March<br>2024<br>£'000 |
|-----------------------------|---------------------------------------|-----------------------------|
| 89,169                      | Central government bodies             | 95,420                      |
| 3,167                       | Other local authorities               | 4,029                       |
| 7,261                       | NHS bodies                            | 10,994                      |
| 0                           | Public corporations and trading funds | 12                          |
| 47,205                      | Other entities and individuals        | 52,016                      |
| 8,797                       | Payments in advance                   | 6,445                       |
| -30,378                     | Impairment losses                     | -37,704                     |
| <b>125,221</b>              | <b>Total</b>                          | <b>131,212</b>              |

The short term debtors figure of £131.212m (22/23 £125.221m) includes £14.882m (22/23 £11.110m) for the impairment losses recognised on receivables arising from contracts with service recipients.

### 19. Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

| 31st March<br>2023<br>£'000 |  | 31st March<br>2024<br>£'000 |
|-----------------------------|--|-----------------------------|
| -8,730                      | Cash held by the Authority             | -3,488                      |
| 77,802                      | Bank current accounts                  | 75,689                      |
| <b>69,072</b>               | <b>Total Cash and Cash Equivalents</b> | <b>72,201</b>               |

### 20. Short Term Creditors

| 31st March<br>2023<br>£'000 |                                       | 31st March<br>2024<br>£'000 |
|-----------------------------|---------------------------------------|-----------------------------|
| 11,806                      | Central government bodies             | 14,249                      |
| 2,736                       | Other local authorities               | 2,065                       |
| 201                         | NHS bodies                            | 1,801                       |
| 14                          | Public corporations and trading funds | 0                           |
| 47,594                      | Other entities and individuals        | 58,984                      |
| 31,803                      | Receipts in advance                   | 22,498                      |
| <b>94,154</b>               | <b>Total</b>                          | <b>99,597</b>               |



## Notes to the Accounts

### 21. Provisions

#### Short - term

|                                       | Outstanding<br>Legal Cases<br>£'000 | Injury and<br>Damage<br>Compensation<br>Claims<br>£'000 | Employee<br>Benefits<br>£'000 | Other<br>Provisions<br>£'000 | Total<br>£'000 |
|---------------------------------------|-------------------------------------|---|-------------------------------|------------------------------|----------------|
| <b>Balance at 1 April 2023</b>        | 1,110                               | 1,315   | 0                             | 481                          | 2,906          |
| Additional provisions made in 2023/24 | 0                                   | 1,149   | 0                             | 49                           | 1,198          |
| Amounts used in 2023/24               | 0                                   | -1,321  | 0                             | -159                         | -1,480         |
| Unused amounts reversed in 2023/24    | -1,000                              | -1,146  | 0                             | -47                          | -2,193         |
| Transfer from long term to short term | 0                                   | 1,348   | 0                             | 0                            | 1,348          |
| <b>Balance at 31 March 2024</b>       | <b>110</b>                          | <b>1,345</b>  | <b>0</b>                      | <b>324</b>                   | <b>1,779</b>   |

#### Long - term

|                                       | Outstanding<br>Legal Cases<br>£'000 | Injury and<br>Damage<br>Compensation<br>Claims<br>£'000 | Employee<br>Benefits<br>£'000 | Other<br>Provisions<br>£'000 | Total<br>£'000 |
|---------------------------------------|-------------------------------------|---|-------------------------------|------------------------------|----------------|
| <b>Balance at 1 April 2023</b>        | 0                                   | 3,138   | 15,132                        | 6,035                        | 24,305         |
| Additional provisions made in 2023/24 | 0                                   | 1,942   | 0                             | 0                            | 1,942          |
| Amounts used in 2023/24               | 0                                   | 0   | 0                             | -340                         | -340           |
| Unused amounts reversed in 2023/24    | 0                                   | 0   | 0                             | -523                         | -523           |
| Transfer from long term to short term | 0                                   | -1,348  | 0                             | 0                            | -1,348         |
| <b>Balance at 31 March 2024</b>       | <b>0</b>                            | <b>3,732</b>  | <b>15,132</b>                 | <b>5,172</b>                 | <b>24,036</b>  |

#### **Outstanding Legal Cases**

The Authority has incurred legal costs in defending its position across a number of issues and will seek to defray those costs against third parties if appropriate. To the extent that this is considered unlikely this provision is intended to quantify and provide for the expected extent of irrecoverable costs.

#### **Injury and Damage Compensation Claims**

This is in respect of excess charges and uninsured costs on all known outstanding insurance claims made against the Authority in respect of all injury and compensation claims outstanding at the Balance Sheet date.

## Notes to the Accounts

### Employee Benefits

This is in respect of the potential costs of settling all reasonably expected equal pay compensation claims as they exist at the Balance Sheet date on the basis that following the implementation of an equal pay compliant pay structure a significant element of the potential liability will be settled by way of compensation payment rather than as backpay. An equal pay provision for £15m has been set aside and charged within the 2022/23 statement of accounts albeit after the 31st March 2023 on materiality grounds and that likely liability existed at the Balance Sheet date and was consequently reported to Cabinet during 2023/24 at the earliest opportunity.

### Other Provisions

These amounts are to cover a variety of potential liabilities including land compensation claims following compulsory purchase, potential sums arising out of grant reclaims and obsolete stock. Other provisions include a significant capital provision (£3.769m) for the future remediation and maintenance of major land refuse disposal sites. Of the £3.769m, £1.315m is likely to be settled within the next ten years and the remaining £2.454m over the next forty years.

## 22. Unusable Reserves

| Authority<br>31st March<br>2023<br>£'000 | Group<br>31st March<br>2023<br>£'000 |  | Authority<br>31st March<br>2024<br>£'000 | Group<br>31st March<br>2024<br>£'000 |
|--|--------------------------------------|--|--|--------------------------------------|
| 321,149                                  | 334,116                              | Revaluation Reserve                      | 324,552                                  | 335,700                              |
| 921,628                                  | 921,628                              | Capital Adjustment Account               | 939,415                                  | 939,415                              |
| -2,255                                   | -2,255                               | Financial Instruments Adjustment Account | -2,036                                   | -2,036                               |
| -76,193                                  | -76,193                              | Pensions Reserve                         | -69,993                                  | -69,993                              |
| -15,506                                  | -15,506                              | Accumulated Absences Account             | -13,815                                  | -13,815                              |
| <b>1,148,823</b>                         | <b>1,161,790</b>                     | <b>Total Unusable Reserves</b>           | <b>1,178,123</b>                         | <b>1,189,271</b>                     |

### Revaluation Reserve

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

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

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

## Notes to the Accounts

| Restated<br>Authority<br>2022/23<br>£'000 | Restated<br>Group<br>2022/23<br>£'000 |  | Authority<br>2023/24<br>£'000 | Group<br>2023/24<br>£'000 |
|---|---------------------------------------|--|-------------------------------|---------------------------|
| 369,420                                   | 382,112                               | <b>Balance at 1st April</b>  | 321,149                       | 334,116                   |
| 2,485                                     | 2,485                                 | Adjustment for historic cost   | 0                             | 0                         |
| <b>371,905</b>                            | <b>384,597</b>                        | <b>Revised Balance at 1st April</b>  | <b>321,149</b>                | <b>334,116</b>            |
| 47,119                                    | 47,394                                | Upward revaluation of assets   | 42,349                        | 42,349                    |
| -80,303                                   | -80,303                               | Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services             | -24,816                       | -26,635                   |
| <b>-33,184</b>                            | <b>-32,909</b>                        | <b>Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services</b> | <b>17,533</b>                 | <b>15,714</b>             |
| -13,297                                   | -13,297                               | Difference between fair value depreciation and historical cost depreciation  | -13,958                       | -13,958                   |
| -4,275                                    | -4,275                                | Accumulated gains on assets sold or scrapped   | -172                          | -172                      |
| <b>-17,572</b>                            | <b>-17,572</b>                        | <b>Amount written off to the Capital Adjustment Account</b>  | <b>-14,130</b>                | <b>-14,130</b>            |
| <b>321,149</b>                            | <b>334,116</b>                        | <b>Balance at 31st March</b>   | <b>324,552</b>                | <b>335,700</b>            |

Page 129

During 2022/23 the Council has streamlined the presentation of the Revaluation Reserve in line with a newly implemented CIPFA asset management accounting system and in continued accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

The total movement in the upward revaluation of assets in 2022/23 has also been restated with a corresponding amendment to the downward revaluation of assets for an adjustment made in 2022/23 totalling £14.274m.

### **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 subsequent costs of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or subsequent costs as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert current and fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and subsequent costs.

The Account contains accumulated gains and losses on Investment Properties. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1st April 2007, the date that the Revaluation Reserve was created to hold such gains. Note 8 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

## Notes to the Accounts

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| <b>904,661</b>   | <b>Balance at 1st April</b>  | <b>921,628</b>   |
| -2,485           | Adjustment for historic cost   | 0                |
| <b>902,176</b>   | <b>Revised Balance at 1st April</b>  | <b>921,628</b>   |
|                  | <b>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:</b>                      |                  |
| -61,756          | Charges for depreciation and impairment of non-current assets  | -66,176          |
| -41,675          | Revaluation losses(-)/gains on Property, Plant and Equipment   | -28,131          |
| -240             | Amortisation of intangible assets  | -324             |
| -8,644           | Revenue expenditure funded from capital under statute (REFCUS)   | -9,219           |
| -12,088          | Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement | -10,544          |
| <b>-124,403</b>  |  | <b>-114,394</b>  |
| 17,572           | Adjusting amounts written out of the Revaluation Reserve   | 14,130           |
| <b>-106,831</b>  | <b>Net written out amount of the cost of non-current assets consumed in the year</b>   | <b>-100,264</b>  |
|                  | <b>Capital financing applied in the year:</b>  |                  |
| 7,090            | Use of the Capital Receipts Reserve to finance new capital expenditure   | 5,185            |
| 68,529           | Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing              | 58,379           |
| 18,030           | Statutory provision for the financing of the capital investment charged against the General Fund and HRA balances  | 19,537           |
| 28,400           | Capital expenditure charged against the HRA and General Fund balances  | 31,414           |
| <b>122,049</b>   |  | <b>114,515</b>   |
| 2,987            | Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement                         | 2,628            |
| 1,247            | Additions Other  | 908              |
| <b>921,628</b>   | <b>Balance at 31st March</b>   | <b>939,415</b>   |

## Notes to the Accounts

### 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 will ensure that funding will have been set aside by the time the benefits come to be paid.

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| <b>-714,623</b>  | <b>Balance at 1st April</b>  | <b>-76,193</b>   |
| 688,520          | Remeasurements of the net defined benefit liability/asset(-)   | 1,120            |
| -107,100         | Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement | -48,270          |
| -500             | Past service cost adjustment   | -1,490           |
| 57,510           | Employer's pensions contributions and direct payments to pensioners payable in the year  | 54,840           |
| <b>-76,193</b>   | <b>Balance at 31st March</b>   | <b>-69,993</b>   |

## Notes to the Accounts

### Accumulated Absences Account

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

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| -13,699          | <b>Balance at 1st April</b>  | -15,506          |
| 13,699           | Settlement or cancellation of accrual made at the end of the preceding year  | 15,506           |
| -15,506          | Amounts accrued at the end of the current year   | -13,815          |
| -1,807           | <b>Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements</b> | 1,691            |
| -15,506          | <b>Balance at 31st March</b>   | -13,815          |

### 23. Cash Flow Statement - Operating Activities

The cash flows for operating activities include the following items:

| 2022/23<br>£'000 |                   | 2023/24<br>£'000 |
|------------------|-------------------|------------------|
| 4,280            | Interest received | 12,840           |
| -25,113          | Interest paid     | -25,074          |
| -20,833          |                   | -12,234          |

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

| 2022/23<br>£'000 |                                      | 2023/24<br>£'000 |
|------------------|--------------------------------------|------------------|
| 61,756           | Depreciation                         | 66,176           |
| 38,689           | Impairment and downward revaluations | 25,503           |
| 240              | Amortisation                         | 324              |
| 7,251            | Increase/decrease(-) in creditors    | 8,143            |
| -10,956          | Increase(-)/decrease in debtors      | -11,505          |
| -305             | Increase(-)/decrease in inventories  | 218              |
| 50,090           | Movement in pension liability        | -5,080           |

## Notes to the Accounts

| 2022/23<br>£'000 |   | 2022/24<br>£'000 |
|------------------|---|------------------|
| -12,088          | Carrying amount of non-current assets and non-current assets held for sale, sold or de-recognised | -10,544          |
| 22,482           | Other non-cash items charged to the net surplus or deficit on the provision of services           | 13,646           |
| <b>157,159</b>   |   | <b>86,882</b>    |

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

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| -61,060          | Any other items for which the cash effects are investing or financing cash flows | -69,273          |
| <b>-61,060</b>   |  | <b>-69,273</b>   |

### 24. Reconciliation of Liabilities arising from Financing Activities

|  | 2023/24        | Financing<br>cash flows | Changes which are not<br>financing cash flows |                                       | 2023/24        |
|--|----------------|-------------------------|---|---------------------------------------|----------------|
|  | 1 April        |                         | Acquisition                                   | Other non-<br>financing<br>cash flows | 31 March       |
|  | £'000          |                         | £'000   | £'000                                 | £'000          |
| Long-term borrowings                                   | 691,185        | -22,066                 | 0   | 0                                     | 669,119        |
| Short-term borrowings                                  | 9,026          | 4,954                   | 0   | 0                                     | 13,980         |
| Lease liabilities                                      | 0              | 0                       | 0   | 0                                     | 0              |
| <b>Total liabilities from<br/>financing activities</b> | <b>700,211</b> | <b>-17,112</b>          | <b>0</b>                                      | <b>0</b>                              | <b>683,099</b> |
|  | 2022/23        | Financing<br>cash flows | Changes which are not<br>financing cash flows |                                       | 2022/23        |
|  | 1 April        |                         | Acquisition                                   | Other non-<br>financing<br>cash flows | 31 March       |
|  | £'000          |                         | £'000   | £'000                                 | £'000          |
| Long-term borrowings                                   | 686,669        | 4,516                   | 0   | 0                                     | 691,185        |
| Short-term borrowings                                  | 9,381          | -355                    | 0   | 0                                     | 9,026          |
| Lease liabilities                                      | 0              | 0                       | 0   | 0                                     | 0              |
| <b>Total liabilities from<br/>financing activities</b> | <b>696,050</b> | <b>4,161</b>            | <b>0</b>                                      | <b>0</b>                              | <b>700,211</b> |

The long term borrowing figures above are different to the long term borrowing figures on the Balance Sheet as the figures on the Balance Sheet include non cash items. Examples of non cash items would be accrued interest, debtors and creditors.



## Notes to the Accounts

### 25. Trading Operations

In accordance with the Service Reporting Code of Practice (SeRCOP) which has been issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) the Authority undertakes a number of activities which are defined as trading activities within the meaning of the Code.

All the Authority's trading operations are an integral part of one of the Authority's services to the public and are incorporated into the Comprehensive Income and Expenditure Statement.

| <b>2023/24</b>                          |                   |                      |                            |
|---|-------------------|----------------------|----------------------------|
|   | Turnover<br>£'000 | Expenditure<br>£'000 | Surplus/- Deficit<br>£'000 |
| Council Car Parks                       | 5,876             | 2,352                | 3,524                      |
| Grand Theatre                           | 3,417             | 4,425                | -1,008                     |
| Indoor Market                           | 1,004             | 681                  | 323                        |
| Council Catering including school meals | 8,022             | 9,703                | -1,681                     |
| Trade Waste                             | 2,394             | 1,977                | 417                        |
| Swansea Marina                          | 686               | 322                  | 364                        |
|   | <b>21,399</b>     | <b>19,460</b>        | <b>1,939</b>               |

| <b>2022/23</b>                          |                   |                      |                            |
|---|-------------------|----------------------|----------------------------|
|   | Turnover<br>£'000 | Expenditure<br>£'000 | Surplus/- Deficit<br>£'000 |
| Council Car Parks                       | 4,297             | 1,974                | 2,323                      |
| Grand Theatre                           | 2,549             | 3,658                | -1,109                     |
| Indoor Market                           | 934               | 1,122                | -188                       |
| Council Catering including school meals | 7,835             | 8,640                | -805                       |
| Trade Waste                             | 2,275             | 1,916                | 359                        |
| Swansea Marina                          | 439               | -289                 | 728                        |
|   | <b>18,329</b>     | <b>17,021</b>        | <b>1,308</b>               |

### 26. Members' Allowances

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

|              | 2022/23<br>£'000 | 2023/24<br>£'000 |
|--------------|------------------|------------------|
| Allowances   | 1,930            | 1,968            |
| Expenses     | 4                | 19               |
| <b>Total</b> | <b>1,934</b>     | <b>1,987</b>     |

## Notes to the Accounts

### 27. Officers' Remuneration

(a) The following tables set out the remuneration for:

- Senior Officers (Directors, Chief Officers and Heads of Service) whose salary is less than £150,000 but equal to or more than £60,000 per year.
- Senior Officers (Chief Executive) whose salary is £150,000 or more are identified by name.

**Table 1 - 2023/24**

|  | Remuneration<br>(including<br>Fees &<br>Allowances)<br>£ | Compensation<br>for loss of<br>office<br>£ | Total<br>remuneration<br>excluding<br>pension<br>contributions<br>£ | Pension<br>contributions<br>(21.3%)<br>£ | Total<br>remuneration<br>including<br>pension<br>contributions<br>£ |
|--|--|--|---|--|---|
| Chief Executive - Martin Nicholls                      | 162,379  | 0  | 162,379   | 34,587                                   | 196,966   |
| Interim Director of Corporate Services - Ness Young(a) | 49,350   | 0  | 49,350  | 0  | 49,350  |
| Director of Corporate Services (b)                     | 49,782   | 0  | 49,782  | 10,603                                   | 60,385  |
| Director of Finance & Section 151 Officer              | 125,146  | 0  | 125,146   | 26,656                                   | 151,802   |
| Director of Education                                  | 119,417  | 0  | 119,417   | 25,436                                   | 144,853   |
| Director of Place (c)                                  | 115,923  | 0  | 115,923   | 24,692                                   | 140,615   |
| Director of Social Services                            | 128,010  | 0  | 128,010   | 27,266                                   | 155,276   |
| Head of Digital and Customer Services                  | 98,813   | 0  | 98,813  | 21,047                                   | 119,861   |
| Monitoring Officer & Chief Legal Officer               | 102,695  | 0  | 102,695   | 22,399                                   | 125,094   |
| Head of Building Services                              | 83,788   | 0  | 83,788  | 17,847                                   | 101,635   |
| Head of Cultural Services                              | 95,475   | 0  | 95,475  | 20,336                                   | 115,811   |
| Head of Highways & Transportation                      | 95,475   | 0  | 95,475  | 20,336                                   | 115,811   |
| Head of Planning & City Regeneration                   | 95,475   | 0  | 95,475  | 20,336                                   | 115,811   |
| Head of Property Services                              | 92,454   | 0  | 92,454  | 19,693                                   | 112,147   |
| Head of Waste, Cleansing & Parks                       | 95,475   | 0  | 95,475  | 20,336                                   | 115,811   |
| <b>Balance c/f</b>                                     | <b>1,509,657</b>   | <b>0</b>                                   | <b>1,509,657</b>  | <b>311,571</b>                           | <b>1,821,228</b>  |

## Notes to the Accounts

**Table 1 - 2023/24 continued**

|   | Remuneration<br>(including<br>Fees &<br>Allowances)<br>£ | Compensation<br>for loss of<br>office<br>£ | Total<br>remuneration<br>excluding<br>pension<br>contributions<br>£ | Pension<br>contributions<br>(21.3%)<br>£ | Total<br>remuneration<br>including<br>pension<br>contributions<br>£ |
|---|--|--|---|--|---|
| <b>Balance b/f</b>  | <b>1,509,657</b>   | <b>0</b>                                   | <b>1,509,657</b>  | <b>311,571</b>                           | <b>1,821,228</b>  |
| Head of Commercial Services                               | 83,788   | 0  | 83,788  | 17,847                                   | 101,635   |
| Deputy Monitoring Officer & Deputy Chief Legal Officer    | 89,633   | 0  | 89,633  | 19,092                                   | 108,724   |
| Deputy Section 151 Officer & Deputy Chief Finance Officer | 77,947   | 0  | 77,947  | 16,603                                   | 94,550  |
| Head of Communications & Marketing                        | 83,788   | 0  | 83,788  | 17,847                                   | 101,635   |
| Head of Adult Services & Tackling Poverty                 | 89,631   | 0  | 89,631  | 19,091                                   | 108,722   |
| Head of Child & Family                                    | 95,475   | 0  | 95,475  | 20,336                                   | 115,811   |
| Interim Head of Revenues & Benefits                       | 69,183   | 0  | 69,183  | 14,736                                   | 83,919  |
| Head of Achievement & Partnership Service                 | 69,183   | 0  | 69,183  | 14,736                                   | 83,919  |
| Head of Education Planning & Resources                    | 69,183   | 0  | 69,183  | 14,736                                   | 83,919  |
| Head of Vulnerable Learner Service                        | 83,788   | 0  | 83,788  | 17,847                                   | 101,635   |
| Head of Human Resources & Service Centre                  | 77,947   | 0  | 77,947  | 16,603                                   | 94,550  |
| Head of Integrated Services                               | 52,870   | 0  | 52,870  | 0  | 52,870  |
| Interim Head of Housing and Public Health (d)             | 26,956   | 0  | 26,956  | 5,742                                    | 32,698  |
| Head of Housing and Public Health (e)                     | 53,179   | 0  | 53,179  | 11,301                                   | 64,480  |
| <b>Total</b>  | <b>2,532,207</b>   | <b>0</b>                                   | <b>2,532,207</b>  | <b>518,087</b>                           | <b>3,050,295</b>  |

## Notes to the Accounts

\* In 2023/24 the Chief Executive received no additional remuneration for Returning Officer Fees relating to General and European Elections. There is no additional remuneration to the Chief Executive for any local elections.

No bonus payments or benefit in kind payments were made to the Officers detailed in these notes.

(a) The Interim Director of Corporate Services is the Director of Corporate Services since 11th September 2023.

(b) The Director of Corporate Services commenced on 11th September 2023. The Director of Corporate Services post is a part time post and the Director is working 3 days a week.

(c) The Director of Place commenced on 1st April 2023.

(d) The Interim Head of Housing and Public Health is the Head of Housing and Public Health since 1st August 2023.

(e) The Head of Housing and Public Health commenced on 1st August 2023.

## Notes to the Accounts

The following tables set out the remuneration for:

- Senior Officers (Directors, Chief Officers and Heads of Service) whose salary is less than £150,000 but equal to or more than £60,000 per year.
- Senior Officers (Chief Executive) whose salary is £150,000 or more are identified by name.

**Table 1 - 2022/23**

|   | Remuneration<br>(including Fees<br>& Allowances)<br>£ | Compensation<br>for loss of office<br>£ | Total<br>remuneration<br>excluding<br>pension<br>contributions<br>£ | Pension<br>contributions<br>(24.7%)<br>£ | Total<br>remuneration<br>including<br>pension<br>contributions<br>£ |
|---|---|---|---|--|---|
| Chief Executive - Phil Roberts * (a)                        | 28,971  | 0                                       | 28,971  | 0  | 28,971  |
| Interim Chief Executive - Martin Nicholls (b)               | 77,881  | 0                                       | 77,881  | 19,237                                   | 97,118  |
| Chief Executive - Martin Nicholls (c)                       | 56,654  | 0                                       | 56,654  | 13,993                                   | 70,647  |
| Deputy Chief Executive & Director of Corporate Services (d) | 42,292  | 0                                       | 42,292  | 10,446                                   | 52,738  |
| Interim Director of Corporate Services (e)                  | 118,260   | 0                                       | 118,260   | 0  | 118,260   |
| Director of Finance & Section 151 Officer                   | 118,147   | 0                                       | 118,147   | 29,182                                   | 147,329   |
| Director of Education                                       | 112,611   | 0                                       | 112,611   | 27,815                                   | 140,426   |
| Director of Place (f)                                       | 17,621  | 0                                       | 17,621  | 4,352                                    | 21,974  |
| Interim Director of Place (g)                               | 93,627  | 0                                       | 93,627  | 23,126                                   | 116,752   |
| Director of Social Services                                 | 123,681   | 0                                       | 123,681   | 30,549                                   | 154,230   |
| Head of Digital and Customer Services                       | 103,536   | 0                                       | 103,536   | 25,573                                   | 129,109   |
| Monitoring Officer & Chief Legal Officer                    | 103,852   | 0                                       | 103,852   | 25,573                                   | 129,425   |
| Head of Education Planning & Resources Service (h)          | 7,652   | 0                                       | 7,652   | 1,801                                    | 9,453   |
| Head of Building Services                                   | 80,955  | 0                                       | 80,955  | 19,996                                   | 100,951   |
| Head of Cultural Services                                   | 92,246  | 0                                       | 92,246  | 22,785                                   | 115,031   |
| <b>Balance c/f</b>  | <b>1,177,985</b>                                      | <b>0</b>                                | <b>1,177,985</b>  | <b>254,429</b>                           | <b>1,432,414</b>  |

## Notes to the Accounts

**Table 1 - 2022/23 continued**

|   | Remuneration<br>(including Fees<br>& Allowances)<br>£ | Compensation<br>for loss of<br>office<br>£ | Total<br>remuneration<br>excluding<br>pension<br>contributions<br>£ | Pension<br>contributions<br>(24.7%)<br>£ | Total<br>remuneration<br>including<br>pension<br>contributions<br>£ |
|---|---|--|---|--|---|
| <b>Balance b/f</b>  | <b>1,177,985</b>                                      | <b>0</b>                                   | <b>1,177,985</b>  | <b>254,429</b>                           | <b>1,432,414</b>  |
| Head of Highways & Transportation                         | 92,969  | 0  | 92,969  | 22,785                                   | 115,754   |
| Head of Housing & Public Health (i)                       | 12,338  | 0  | 12,338  | 3,048                                    | 15,386  |
| Head of Planning & City Regeneration                      | 92,246  | 0  | 92,246  | 22,785                                   | 115,031   |
| Head of Property Services                                 | 81,494  | 0  | 81,494  | 19,996                                   | 101,490   |
| Head of Waste, Cleansing & Parks                          | 92,246  | 0  | 92,246  | 22,785                                   | 115,031   |
| Head of Commercial Services                               | 80,955  | 0  | 80,955  | 19,996                                   | 100,951   |
| Deputy Monitoring Officer & Deputy Chief Legal Officer    | 69,983  | 0  | 69,983  | 17,208                                   | 87,191  |
| Deputy Section 151 Officer & Deputy Chief Finance Officer | 72,488  | 0  | 72,488  | 17,905                                   | 90,393  |
| Head of Communications & Marketing                        | 80,955  | 0  | 80,955  | 19,996                                   | 100,951   |
| Head of Adult Services & Tackling Poverty                 | 83,778  | 0  | 83,778  | 20,693                                   | 104,471   |
| Head of Child & Family                                    | 92,191  | 0  | 92,191  | 22,771                                   | 114,962   |
| Interim Head of Revenues & Benefits                       | 64,021  | 0  | 64,021  | 15,813                                   | 79,834  |
| Interim Head of Service Centre (j)                        | 16,711  | 0  | 16,711  | 4,128                                    | 20,838  |
| Head of Achievement & Partnership Service (k)             | 64,021  | 0  | 64,021  | 15,813                                   | 79,834  |
| Interim Head of Education Planning & Resources (l) (n)    | 11,186  | 0  | 11,186  | 2,763                                    | 13,950  |
| Head of Education Planning & Resources (m)                | 47,499  | 0  | 47,499  | 11,732                                   | 59,232  |
| Head of Vulnerable Learner Service (o)                    | 78,134  | 0  | 78,134  | 19,299                                   | 97,433  |
| Head of Human Resources & Service Centre (p)              | 57,990  | 0  | 57,990  | 14,324                                   | 72,314  |
| Interim Head of Integrated Services (q)                   | 12,144  | 0  | 12,144  | 0  | 12,144  |
| Head of Integrated Services (r)                           | 36,399  | 0  | 36,399  | 0  | 36,399  |
| Interim Head of Housing and Public Health (s)             | 55,685  | 0  | 55,685  | 13,754                                   | 69,440  |
| <b>Total</b>  | <b>2,473,419</b>                                      | <b>0</b>                                   | <b>2,473,419</b>  | <b>562,022</b>                           | <b>3,035,441</b>  |

## Notes to the Accounts

\* In 2022/23 the Chief Executive received additional remuneration of £2,134.00 for Returning Officer Fees relating to General and European Elections. There is no additional remuneration to the Chief Executive for any local elections.

No bonus payments or benefit in kind payments were made to the Officers detailed in these notes.

- (a) The Chief Executive retired on 29th May 2022.
- (b) The Interim Chief Executive commenced on 23rd May 2022.
- (c) The Interim Chief Executive is the Chief Executive since 21st November 2022.
- (d) The Deputy Chief Executive & Director of Corporate Services left the Authority on 31st July 2022.
- (e) The Interim Director of Corporate Services commenced on 11th July 2022 under a contract for services via a third party and not as a direct paid employee. Consequently there were no pension costs incurred as they were not eligible to participate in the LGPS in 2022/23.
- (f) The Director of Place is the Interim Chief Executive since 23rd May 2022.
- (g) The Interim Director of Place commenced on 23rd May 2022.
- (h) The Head of Education Planning & Resources Service retired on 30th April 2022.
- (i) The Head of Housing & Public Health is the Interim Director of Place since 23rd May 2022.
- (j) The Interim Head of Service Centre finished on 30th June 2022.
- (k) The Head of Achievement & Partnership Service commenced on 1st April 2022.
- (l) The Interim Head of Education Planning & Resources commenced on 1st May 2022.
- (m) The Head of Education Planning & Resources commenced on 4th July 2022.
- (n) The Interim Head of Education Planning & Resources is the Head of Education Planning & Resources since 4th July 2022.
- (o) The Head of Vulnerable Learner Service commenced on 1st April 2022.
- (p) The Head of Human Resources & Service Centre commenced on 13th June 2022.
- (q) The Interim Head of Integrated Services commenced on 1st April 2022.

## Notes to the Accounts

(b) The number of employees (excluding Senior Officers) whose remuneration (excluding employer's pension contributions) was £60,000 or more, in bands of £5,000, were:

| 2022/23<br>Number of<br>employees | Remuneration Band   | 2023/24<br>Number of<br>employees |
|-----------------------------------|---------------------|-----------------------------------|
| 64                                | £60,000 - £64,999   | 71                                |
| 42                                | £65,000 - £69,999   | 54                                |
| 25                                | £70,000 - £74,999   | 44                                |
| 19                                | £75,000 - £79,999   | 19                                |
| 10                                | £80,000 - £84,999   | 18                                |
| 7                                 | £85,000 - £89,999   | 4                                 |
| 5                                 | £90,000 - £94,999   | 8                                 |
| 3                                 | £95,000 - £99,999   | 6                                 |
| 3                                 | £100,000 - £104,999 | 2                                 |
| 1                                 | £105,000 - £109,999 | 3                                 |
| 5                                 | £110,000 - £114,999 | 5                                 |
| 1                                 | £115,000 - £119,999 | 2                                 |
| 0                                 | £120,000 - £124,999 | 2                                 |
| 0                                 | £125,000 - £129,999 | 1                                 |
| 1                                 | £140,000 - £144,999 | 0                                 |
| <b>186</b>                        | <b>Total</b>        | <b>239</b>                        |

The remuneration bands above include one off payments regarding compensation for loss of office. These payments are not paid in return for services rendered to the Authority and are therefore not strictly remuneration, but the regulations covering disclosure of salary bandings require these amounts to be included in the calculation.

The numbers shown relate to Authority employees, which predominantly include teaching staff. The bandings above include ten teachers (2022/23 ten teachers) who are employed by voluntary aided schools. Senior Officers' remunerations are shown in the tables on pages 108 to 113.

The Authority is required to disclose the organisation's pay multiple. This is the ratio between the highest paid employee and the median earnings across the organisation.

In 2023/24 the remuneration of the Chief Executive was £162,518 (2022/23 £156,887). This was 5.5 times (2022/22 5.7 times) the median remuneration of the organisation, which was £29,698 (2022/23 £27,313).



## Notes to the Accounts

(c) The numbers of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

| 2023/24   |                                   |                                   |  |  |
|---|-----------------------------------|-----------------------------------|--|--|
| Exit package cost band (including special payments) | Number of Compulsory Redundancies | Number of other departures agreed | Total number of exit packages by cost band | Total cost of exit packages in each band £'000 |
| £0 - £20,000  | 16                                | 14                                | 30   | 173  |
| £20,001 - £40,000                                   | 0                                 | 16                                | 16   | 449  |
| £40,001 - £60,000                                   | 1                                 | 2                                 | 3  | 141  |
| £60,001 - £80,000                                   | 0                                 | 3                                 | 3  | 210  |
| £80,001 - £100,000                                  | 0                                 | 1                                 | 1  | 84   |
| £100,001 - £150,000                                 | 0                                 | 1                                 | 1  | 133  |
| £150,001 - £200,000                                 | 0                                 | 1                                 | 1  | 184  |
| £250,001 - £300,000                                 | 0                                 | 1                                 | 1  | 255  |
| <b>Total</b>  | <b>17</b>                         | <b>39</b>                         | <b>56</b>                                  | <b>1,629</b>                                   |

| 2022/23   |                                   |                                   |  |  |
|---|-----------------------------------|-----------------------------------|--|--|
| Exit package cost band (including special payments) | Number of Compulsory Redundancies | Number of other departures agreed | Total number of exit packages by cost band | Total cost of exit packages in each band £'000 |
| £0 - £20,000  | 4                                 | 8                                 | 12   | 83   |
| £20,001 - £40,000                                   | 0                                 | 12                                | 12   | 366  |
| £40,001 - £60,000                                   | 0                                 | 3                                 | 3  | 154  |
| £60,001 - £80,000                                   | 0                                 | 4                                 | 4  | 288  |
| £80,001 - £100,000                                  | 0                                 | 4                                 | 4  | 353  |
| £100,001 - £150,000                                 | 0                                 | 3                                 | 3  | 380  |
| £150,001 - £200,000                                 | 0                                 | 1                                 | 1  | 158  |
| <b>Total</b>  | <b>4</b>                          | <b>35</b>                         | <b>39</b>                                  | <b>1,782</b>                                   |

The average payback period against all early retirement / voluntary redundancy packages agreed for 2023/24 is less than 1 year.

## Notes to the Accounts

### 28. Grant Income

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2022/23 and 2023/24:

| Restated<br>2022/23<br>£'000 |   | 2023/24<br>£'000 |
|------------------------------|---|------------------|
|                              | <b>Credited to Taxation and Non Specific Grant Income</b>               |                  |
| 143,425                      | Council Tax Income  | 151,483          |
| 89,167                       | Non Domestic Rates  | 79,002           |
| 297,425                      | Revenue Support Grant   | 339,280          |
| 0                            | Covid-19 Council Tax Loss Support Grant                                 | -436             |
| 2,299                        | 21st Century Schools Programme, Childcare Grant and Community Hub grant | -391             |
| 1,949                        | Local Transport Fund and Local Transport Network Fund                   | 5,086            |
| 6,348                        | Active Travel Fund  | 4,440            |
| 9,283                        | Housing MRA Grant   | 9,280            |
| 207                          | Road Safety/Safe Route in Communities                                   | 0                |
| 4,375                        | General Capital Grant   | 1,498            |
| 3,610                        | Schools Capital Maintenance grant                                       | 583              |
| 1,814                        | Coastal Risk Management Programme                                       | 88               |
| 0                            | Reducing Infant Class sizes   | 29               |
| 677                          | Housing Homelessness Capital Grant                                      | 0                |
| 4,625                        | City Deal Grant   | 12,677           |
| 827                          | Gifted Assets   | 777              |
| 525                          | Flying Start  | 0                |
| 2,527                        | Free School Meals (capital)   | 0                |
| 0                            | Electric Charging points grants   | 454              |
| 1,953                        | HRA Social Housing Grant (capital)                                      | 1,221            |
| 5,304                        | Transforming Towns grant (capital)                                      | 247              |
| 359                          | WG - Safe Routes in Communities   | 123              |
| 139                          | WEFO Kingsway project   | 0                |
| 2                            | WG - Swansea Valleys task force COVID recovery fund                     | 0                |
| 150                          | Ultra Low Emission Vehicles - 2 Sweepers                                | 0                |
| 243                          | WG Post-16 Life long learning   | 0                |
| 551                          | WG 20mph national speed limit rollout                                   | 1,825            |
| 2,603                        | WG Optimised Retrofit Prog (ORP) - HRA                                  | 3,045            |
| 751                          | WG Fire Safety High Rise Flats - HRA                                    | 0                |
| 2,889                        | WG Transitional Accommodation Capital Programme Grants - HRA            | 2,292            |
| 0                            | WG Land and Buildings Development Fund                                  | 1,263            |
| 0                            | WG WHQS Implementation Grant  | 225              |
| 100                          | Small Scale Infrastructure Grant  | 0                |
| 395                          | Housing with Care Fund Hendy Cottages                                   | 571              |
| 85                           | Brilliant Basics Fund Changing Places Toilets                           | 187              |

## Notes to the Accounts

| Restated<br>2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------------------|--|------------------|
| 1,145                        | Community Focused Schools (CFS)  | 400              |
| 292                          | Additional Learning Needs (ALN)  | 1,318            |
| 2,710                        | Other Grants and Contributions   | 10,080           |
| <b>588,754</b>               |  | <b>626,647</b>   |
|                              | <b>Credited to Services</b>  |                  |
| 33,511                       | Rent allowance subsidy   | 33,956           |
| 26,414                       | Rent rebate subsidy  | 26,492           |
| 10,744                       | Children and Communities Grant   | 11,554           |
| 21,036                       | Housing Support Grant  | 21,348           |
| 550                          | Department for Children, Education, Lifelong Learning and Skills             | 0                |
| 482                          | Environment and Sustainable Development Grant (ESD)                          | 871              |
| 863                          | Housing Benefit Administration   | 863              |
| 5,517                        | Concessionary fares  | 4,646            |
| 9,268                        | Pupil Deprivation Grant  | 9,364            |
| 1,176                        | Communities for Work   | 0                |
| 305                          | Cynnydd Project (ESF)  | 295              |
| 377                          | Rural Development Plan   | 89               |
| 617                          | Bus Services Support Grant (BSSG)  | 573              |
| 3,759                        | Free Childcare   | 1,542            |
| 3,562                        | Sustainable Social Services  | 3,551            |
| 455                          | ENABLE grant   | 455              |
| 1,134                        | Sustainable Waste Management Grant (SWMG)                                    | 1,122            |
| 348                          | Affordable Housing Grant   | 347              |
| 2,220                        | Teacher Pay and Pensions   | 1,573            |
| 850                          | Professional Learning Fund   | 862              |
| 701                          | Social Care Wales Workforce Development Programme                            | 647              |
| 758                          | Youth Support Group  | 816              |
| 461                          | Unaccompanied Asylum Seekers   | 565              |
| 185                          | Reducing Infant Class Sizes  | 0                |
| 392                          | Targeted Regeneration Investment Programme                                   | 1,714            |
| 913                          | Targeted Regeneration Investment - Property Enhancement<br>Development Grant | 2,277            |
| 3,695                        | Covid Grant  | 0                |
| 9,585                        | Local Authority Education Grant  | 9,789            |
| -1,513                       | Cost of Living Support Scheme  | 0                |
| 256                          | Cost of Living Support Scheme Admin  | 0                |
| 62                           | Self Isolation & Winter Fuel Admin   | 0                |
| 952                          | Transforming Towns   | 5,528            |
| 609                          | Community Renewal Fund   | 0                |
| 205                          | Kickstart Scheme   | 24               |
| 8,462                        | School Improvement Grant   | 8,088            |

## Notes to the Accounts

| Restated<br>2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------------------|--|------------------|
|                              | <b>Credited to Services</b>                                      |                  |
| 6,686                        | Department for Children, Education, Lifelong Learning and Skills | 7,125            |
| 2,638                        | Flying Start   | 2,689            |
| 0                            | Accelerated Learning Programme                                   | 2,496            |
| 236                          | Music Grant  | 449              |
| 7,215                        | Regional Investment Fund   | 7,554            |
| 779                          | Ukraine Support Scheme   | 1,062            |
| 515                          | Eliminate Profit   | 2,280            |
| 962                          | Welsh Vaccination Certification Service                          | 457              |
| 0                            | Shared Prosperity Fund   | 8,046            |
| 119                          | Radical Reform*  | 1,045            |
| 261                          | Home Office Full Dispersal Grant*                                | 671              |
| 489                          | Youth Justice Grant*   | 517              |
| 429                          | Small Grant Scheme - 30 Hour Childcare*                          | 512              |
| 0                            | General Capital Grant  | 5,029            |
| 13,424                       | Other Grants*  | 13,272           |
| <b>182,664</b>               |  | <b>202,155</b>   |

\*A number of grants that were included in the line 'Other Grants' in 2022/23 have become significant enough in 2023/24 to be separately identified. Therefore the line 'Other Grants' has been restated to reflect the transfer of those grants now shown on separate lines.

### 29. Related Parties

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

#### a) Central Government

The Authority receives significant funding from the Welsh Government. Details of the sums received in respect of Revenue Support Grant and redistributed Non Domestic Rates are shown in the Comprehensive Income and Expenditure Statement, with details of other grant income being shown in note 28 to the Accounts.

#### b) Charitable and Voluntary Bodies

The Authority appoints members to represent it on numerous charitable and voluntary bodies which operate primarily within Swansea Council, as well as to a number of national bodies where it is deemed in the Authority's interest to be represented. Any transactions with these bodies are not significant.

## Notes to the Accounts

### c) Other Bodies

The Authority has appointed members and officers to a number of outside organisations which include the following:-

Partneriaeth  
Gower College Swansea  
Mid and West Wales Fire Authority  
Swansea Bay Port Health Authority  
Swansea PSB (Public Services Board)  
South West Wales Corporate Joint Committee (CJC)  
University of Swansea Court  
Welsh Local Government Association Council

A full listing can be obtained from the Finance department, Guildhall, Swansea, SA1 4PE and on the Authority's website ([www.swansea.gov.uk/councillors](http://www.swansea.gov.uk/councillors)).

In respect of the Mid and West Wales Fire Authority, the Swansea Bay Port Health Authority and the South West Wales Corporate Joint Committee (CJC), amounts are paid by the Authority in respect of levies and precepts to these bodies. The Section 151 Officer of the Council also acts as the Clerk and Treasurer of the Swansea Bay Port Health Authority.

Levies / Contributions paid to the three bodies were:-

|  |                              |
|--|------------------------------|
| Mid and West Wales Fire Authority:-          | £17.122m (2022/23: £14.692m) |
| Swansea Bay Port Health Authority:-          | £0.089m (2022/23: £0.088m)   |
| South West Wales Corporate Joint Committee:- | £0.212m (2022/23: £0.200m)   |

The Authority is responsible for the collection of Council Taxes on behalf of the South Wales Police Authority. The total collected and paid over to the South Wales Police Authority for 2023/24 was £29.674m (2022/23 £28.131m).

### d) Subsidiary, Associates and Joint Ventures

The Authority has an interest in three companies, details of which are shown on the next few pages:-

#### The National Waterfront Museum Swansea - Joint Venture

The National Waterfront Museum Swansea ("the Company") is limited by guarantee and is a registered charitable trust (charity number 1090512). The Company has seven directors, of which three are appointed by Swansea Council, three by the National Museums and Galleries of Wales, with the seventh director being an independent chairman.

The purpose of the Company was to develop the National Industrial and Maritime Museum at Swansea which opened in Spring 2006. The original funding for developing the Museum was from Welsh Government, the National Museums and Galleries of Wales, the former Welsh Development Agency and the Heritage Lottery Fund. Funding for current expenditure incurred is split equally between Amgueddfa Cymru and Swansea Council.

## Notes to the Accounts

During the 2002/03 financial year the Authority granted a lease to the Company of a substantial portion of the site on which the new museum has been developed. The lease was granted at a peppercorn rental and constitutes the Authority's commitment to the scheme.

The museum has been leased to the National Museums and Galleries of Wales at a peppercorn rent by the Company. Due to the nature of the Company and its constitution there will be no direct beneficial interest arising to the Authority from its activities.

A contribution of £2,450 was made in 2023/24 (2022/23 £2,450) to National Waterfront Museum Swansea towards 50% of the governance costs of the charitable company. There was an outstanding creditor of £2,200 as at 31st March 2024 (2022/23 £2,112). There was an outstanding debtor of £44,463 as at 31st March 2024 (2022/23 £45,112). The charitable company is deemed to be influenced significantly by the Authority through its representation on the Board of Trustees.

The net assets of the National Waterfront Museum Swansea at 31st March 2024 are £17,170,005 (2022/23 £17,515,048).

Copies of the accounts of the Company are available from the National Waterfront Museum Swansea Project Office, Queens Buildings, Cambrian Place, Swansea SA1 1TW.

### **The Wales National Pool (Swansea) - Joint Venture**

The Wales National Pool (Swansea) ("the Company") is a company limited by guarantee. The purpose of the company is to operate the Wales National 50 Metre Pool which is located in Swansea.

Swansea Council was responsible for the construction of the pool complex, with the bulk of funding being supplied by the National Lottery Sports Foundation. The pool has been constructed on land owned by the University of Wales, Swansea.

The pool complex is leased to the company at a peppercorn rent. Due to the nature of the facility, which is unlikely to show profitability, the development is not thought to have a high commercial value.

The pool complex was opened in April 2003.

## Notes to the Accounts

Details of the Authority's transactions with the Company during the year are as follows:-

| 2022/23<br>£'000 |   | 2023/24<br>£'000 |
|------------------|---|------------------|
| 503              | Funding provided by the Authority towards operating costs of the pool | 650              |
| 47               | Sum paid for the free use of the pool by schools and other bodies     | 46               |
| -1,075           | Recharges of wages, salaries and other costs to the Company           | -1,121           |

The Company has seven directors, of which three are appointed by Swansea Council, three by the University of Wales (Swansea), with the seventh director being an independent chairman.

By agreement with the University of Wales Swansea, the Authority funds 50 per cent of the operational deficit that the Company makes during its financial year which operates from 1st August to 31st July. There are no other guarantees in place that could increase the Authority's liability in respect of the operations of the Company.

There was an outstanding debtor of £88k (2022/23 £175k) and outstanding creditors of zero (2022/23 £252k) as at 31st March 2024. The 22/23 creditor amount has been restated to only include Wales National Pool (Swansea) creditors.

The net assets of Wales National Pool (Swansea) Limited at 31st March 2024 were £2,189,000 (2022/23 £2,697,000).

Copies of the accounts of the Company are available from the University of Wales Swansea, Finance Department, Singleton Park, Swansea, SA2 8PP.

### Swansea Community Energy & Enterprise Scheme (SCEES) - Associate

In 2017, Swansea Council purchased 100,000 shares of £1 in Swansea Community Energy & Enterprise Scheme. Swansea Community Energy & Enterprise Scheme is a community owned renewable energy company which was established by Swansea Council but is now run independently by a group of local Directors. The company develops and manages renewable energy projects for the benefit of residents in some of the more deprived areas in Swansea.

By agreement with SCEES £5,000 of the initial investment is repaid each year. The balance of shares now owned by the Authority is 70,000 shares of £1 each.

The Company has 7 Directors, one of which is a Cabinet Member of Swansea Council.

There was an outstanding debtor of £4,125 at 31st March 2024 (2022/23 £5,550) and no outstanding creditors at 31st March 2024 (2022/23 zero).



## Notes to the Accounts

The net assets of Swansea Community Energy & Enterprise Scheme at 31st March 2024 were £388,691 (2022/23 £435,435).

There has been no consolidation for Swansea Community Energy & Enterprise Scheme due to the immateriality of the Company's results.

Copies of the accounts of the Company are available from Swansea Community Energy & Enterprise Scheme Limited, The Environment Centre, Pier Street, Swansea, SA1 1RY.

### e) Other Organisations

Members of the Authority have direct control over the Authority's financial and operating policies.

A relation of a member of the Senior Management Team has provided therapy services to Western Bay Adoption Services via her own business. The amount paid for services provided in 2023/24 was £4,125 (2022/23 £14,834.50). There were outstanding creditors of zero (2022/23 £0). The senior manager's interest in this company was properly recorded in the Register of interests.

A relation of a member of the Senior Management Team has provided artwork and workshops to the Authority via their own business. The amount paid for services provided in 2023/24 was £150 (2022/23 £23,010). There were outstanding creditors of zero (2022/23 £0). The senior manager's interest in this company was properly recorded in the Register of interests.

During 2023/24 one member was employed by The Penllergaer Trust and another member held the position of Trustee. The amount paid in 2023/24 was £24,239.58 (2022/23 £16,452.05). The members' interests in this company were properly recorded in the Register of members interests which is available on the Authority's public website.

During 2023/24 a member held the position of Treasurer (Trustee) in Pontarddulais Partnership. The amount paid in 2023/24 was £22,278 (2022/23 13,742.50). The member's interest in this company was properly recorded in the Register of members interests which is available on the Authority's public website.

During 2023/24 a member held the position of Chair in Swansea Canal Society. The amount paid in 2023/24 was £91,335.40 (2022/23 £0). The member's interest in this company was properly recorded in the Register of members interests which is available on the Authority's public website.

During 2023/24 a member held the position of Trustee in Citizens Advice Bureau. The amount paid in 2023/24 was £181,268.96 (2022/23 £128,766.81). The member's interest in this company was properly recorded in the Register of members interests which is available on the Authority's public website.



## Notes to the Accounts

During 2023/24 a member held the position of Director in Swansea Business Improvements Ltd. The amount paid in 2023/24 was £471,114.25 (2022/23 £678,646.97). The member's interest in this company was properly recorded in the Register of members interests which is available on the Authority's public website.

### f) Duties imposed on Council Directors

It is important to note that where Councillors are appointed to act as Directors of Companies or as Board Members of Statutory Agencies then they must, when carrying out such appointments, seek to act in the best interests of the Company/Statutory Body when acting in that official capacity.

### g) Pension Fund

Swansea Council acts as administering Authority for the Swansea Council Pension Fund (formerly the West Glamorgan Pension Fund).

Transactions between the Authority and the Pension Fund mainly comprise the payment to the Pension Fund of employee and employer payroll superannuation deductions, together with payments in respect of enhanced pensions granted by Former Authorities.

The Pension Fund currently has 55 scheduled and admitted bodies. Management of the Pension Fund is undertaken by a committee. The committee is advised by the consultancy company, Hymans Robertson LLP.

### h) Swansea Bay City Deal

The Swansea Bay City Deal is a £1.3bn investment in nine major projects across the Swansea Bay City Region - which is made up of Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea. The Swansea Bay City Deal is being led by the four regional local authorities through a Joint Committee Agreement, together with non-voting partners - Swansea Bay and Hywel Dda University Health Boards, Swansea University, the University of Wales Trinity Saint David. Within the Joint Committee Agreement there is acknowledgement that all partners will contribute £50,000 per annum to support the central and administrative functions of the programme, as well as a 1.5% "Top Slice" being applied to programme/project City Deal grant awards. Swansea Council's partnership contribution is fully paid up to 31st March 2024. The Swansea Bay City Deal received the grant award offer letter on 31st August 2023, with subsequent acceptance in November 2023.

As at the 31st March 2024, City Deal grant funding was awarded to Swansea Council for expenditure incurred in 2023/24 (£12,432,956), the associated top slice contribution was expended (£189,334). It was considered appropriate to include a debtor for the interest receivable (£747,013) in the accounts to 31st March 2024. As agreed by the Joint Committee (JC - 11th June 2020) interest accumulated on Swansea Bay City Deal cash balances will be distributed to authorities on a programme/project basis aligned to their allocated grant.

In 2023/24 the City Deal grant funding of £4,957,677 was received relating to 2022/23 income accrued.

## Notes to the Accounts

Under the agreement of the Joint Committee (JC - 9th July 2020) costs in respect of the provision of support services by local authorities to the Swansea Bay City Deal were reincluded within the Joint Committee budget allowing for the recharge of those functions by authorities. As such expenditure was recharged during the financial year by Swansea Council for legal and democratic services in respect of the Joint Committee (£66,407).

### 30. Group Accounts

The following are the dates of relevant company accounts used for consolidation:

- National Waterfront Museum Swansea - Draft Accounts for the year ending 31st March 2024.
- Wales National Pool Swansea - Management Accounts for the year ending 31st March 2024.

The Wales National Pool Swansea financial year operates from the 1st August to the 31st July. The National Waterfront Museum Swansea financial year operates from 1st April to the 31st March. In the opinion of the Authority the use of the above information is likely to adequately reflect the extent and nature of group income and expenditure and assets and liabilities that exist as at 31st March 2024 and the use of current information would not be significant in relation to the group position as stated.

In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", all Group activities were classified as 'Continuing' during the year. There were no material acquisitions or discontinuations of services as defined by the Standard.

The total net assets of the Group can be analysed according to the relevant entity to which they relate, as follows:

| 31st March<br>2023<br>£'000 |  | 31st March<br>2024<br>£'000 |
|-----------------------------|--|-----------------------------|
| 1,430,652                   | Swansea Council (Parent)                           | 1,461,527                   |
| 8,758                       | National Waterfront Museum Swansea (Joint Venture) | 8,585                       |
| 14,315                      | Wales National Pool (Joint Venture)                | 12,243                      |
| <b>1,453,725</b>            | <b>Net Assets Employed (exc. Pension Fund) *</b>   | <b>1,482,355</b>            |
| -76,193                     | Net Group Pension Fund Liabilities                 | -69,993                     |
| <b>1,377,532</b>            | <b>Net Assets Employed</b>                         | <b>1,412,362</b>            |

\* Some of the component Group assets have been valued on a different basis to that used by the Authority. If the Wales National Pool had been valued at depreciated replacement cost then the asset would have a value of £24.520m.

\* The Wales National Pool currently has a net book value in the region of £2.2m. Given the material scale of the difference in value the Authority has restated their share of the higher valuation which results in an unrealised gain of £11.149m. It is expected that under the terms of the agreement the final value at the end of the lease (31st March 2026) will be zero. Therefore the difference in book valuations will be fully amortised by the 2025/26 Statement of Accounts.

Swansea Council (the Parent company) does not believe that it will receive a material benefit in the form of income or dividends from the related companies, and does not expect to make any contributions over and above the normal budgeted requirement. Since the related companies are limited by guarantee, any losses to the Authority will be limited to the value of the guarantee in each entity.

## Notes to the Accounts

### 31. Agency Services

The Authority carried out work on an agency basis for other organisations for which it is reimbursed. These amounts are excluded from the Authority's results. The significant agency services provided were:

**2023/24**

| Agency           | Description  | Expenditure<br>£'000 | Grant Income<br>Received<br>£'000 | Grant<br>Debtors<br>£'000 | Grant<br>Creditors<br>£'000 | Total<br>Grant<br>£'000 |
|------------------|--|----------------------|-----------------------------------|---------------------------|-----------------------------|-------------------------|
| Welsh Government | Covid-19 Business Support grant                            | 0                    | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Covid-19 Carers Payments grant                             | 0                    | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Covid-19 Statutory Sick Pay Support grant                  | 0                    | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Covid-19 Self isolation payments                           | 0                    | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Covid-19 Unpaid Carers payments                            | 0                    | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Bus Services Support grant                                 | 3,935                | -4,598                            | 0                         | 663                         | -3,935                  |
| Welsh Government | Bus Emergency Scheme grant                                 | 1,150                | -1,150                            | 0                         | 0                           | -1,150                  |
| Welsh Government | Bus Transition Fund grant                                  | 6,169                | -7,031                            | 0                         | 862                         | -6,169                  |
| Welsh Government | Town Centre loans  | 1,680                | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Welsh Government Owner Occupier Loans                      | 4                    | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Welsh Government Landlord Loans                            | -601                 | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Substance Misuse Action Team Capital grant                 | 208                  | 0                                 | -208                      | 0                           | -208                    |
| Welsh Government | Ukraine Initial Payments                                   | 6                    | -6                                | 0                         | 0                           | -6                      |
| Welsh Government | Cost of Living payments                                    | 0                    | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Fuel Support payments                                      | 1                    | -57                               | 0                         | 56                          | -1                      |
| UK Government    | Energy Bills Support Scheme (Alternative Funding) payments | 837                  | -837                              | 0                         | 0                           | -837                    |
| UK Government    | Ukraine Host Payments                                      | 281                  | -281                              | 0                         | 0                           | -281                    |
| UK Government    | Shared Prosperity Fund                                     | 39,491               | -39,491                           | 0                         | 0                           | -39,491                 |
| UK Government    | Additional Fuel payments (Alternative Fund)                | 135                  | -135                              | 0                         | 0                           | -135                    |
|                  |  | <b>53,296</b>        | <b>-53,586</b>                    | <b>-208</b>               | <b>1,581</b>                | <b>-52,213</b>          |

## Notes to the Accounts

### 2022/23 Comparative figures

| Agency           | Description  | Expenditure<br>£'000 | Grant Income<br>Received<br>£'000 | Grant<br>Debtors<br>£'000 | Grant<br>Creditors<br>£'000 | Total<br>Grant<br>£'000 |
|------------------|--|----------------------|-----------------------------------|---------------------------|-----------------------------|-------------------------|
| Welsh Government | Covid-19 Business Support grant                            | 10                   | -10                               | 0                         | 0                           | -10                     |
| Welsh Government | Covid-19 Carers Payments grant                             | 1,246                | 0                                 | -1,246                    | 0                           | -1,246                  |
| Welsh Government | Covid-19 Statutory Sick Pay Support grant                  | 308                  | -308                              | 0                         | 0                           | -308                    |
| Welsh Government | Covid-19 Self isolation payments                           | 1,178                | -1,178                            | 0                         | 0                           | -1,178                  |
| Welsh Government | Covid-19 Unpaid Carers payments                            | 1,727                | -1,727                            | 0                         | 0                           | -1,727                  |
| Welsh Government | Bus Services Support grant                                 | 4,623                | -4,623                            | 0                         | 0                           | -4,623                  |
| Welsh Government | Bus Emergency Scheme grant                                 | 12,054               | -11,054                           | -1,000                    | 0                           | -12,054                 |
| Welsh Government | Town Centre loans  | 835                  | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Welsh Government Owner Occupier Loans                      | 63                   | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Welsh Government Landlord Loans                            | -56                  | 0                                 | 0                         | 0                           | 0                       |
| Welsh Government | Substance Misuse Action Team Capital grant                 | 46                   | -46                               | 0                         | 0                           | -46                     |
| Welsh Government | Ukraine Initial Payments                                   | 79                   | -79                               | 0                         | 0                           | -79                     |
| Welsh Government | Cost of Living payments                                    | 13,616               | -13,616                           | 0                         | 0                           | -13,616                 |
| Welsh Government | Fuel Support payments                                      | 5,838                | -5,838                            | 0                         | 0                           | -5,838                  |
| UK Government    | Energy Bills Support Scheme (Alternative Funding) payments | 114                  | -951                              | 0                         | 837                         | -114                    |
| UK Government    | Ukraine Host Payments                                      | 348                  | -348                              | 0                         | 0                           | -348                    |
| UK Government    | Additional Fuel payments (Alternative Fund)                | 1                    | -136                              | 0                         | 135                         | -1                      |
|                  |  | <b>42,030</b>        | <b>-39,914</b>                    | <b>-2,246</b>             | <b>972</b>                  | <b>-41,188</b>          |

### **Covid-19 Business Support grant**

There were various rounds of grant support and differing criteria for each grant. Grants were payable to businesses of specific types (e.g. retail, hospitality, leisure) that were liable for Non-Domestic rates. Broad guidance was issued by Welsh Government to aid local authorities in administering each round of grants. Other discretionary grants were also payable in other circumstances not related to liability for Non-Domestic rates. There were no payments made in 2023/24 however there may be some debts to be written off in the coming year if recovery is unsuccessful.

In 2022/23 there was 1 payment.

### **Covid-19 Carers Payments grant**

There have been three schemes to provide additional payments to Social Care workers during the course of the pandemic. The first two schemes were accounted for in 2020/21. A third scheme was announced in March 2022 and was largely accounted for in 2021/22. The amounts accounted for in 2022/23 are the difference between the Welsh Government estimates of the scheme value and the actual amounts paid. The scheme was administered by the Council.

### **Covid-19 Statutory Sick Pay Support grant**

The statutory sick pay enhancement scheme supports social care workers who only get statutory sick pay when absent or are not eligible for SSP. It provides funding to allow employers to pay eligible workers at full pay if they cannot work due to Covid-19. The scheme ceased in 2022/23.

### **Covid-19 Self isolation payments**

Payments of £500 were issued on behalf of Welsh Government to people required to self isolate as a result of contracting Covid-19 or coming into contact with a person with Covid-19. Eligibility for these payments was expanded a number of times after the scheme was implemented and again, Welsh Government provided guidance documents to aid local authorities with their administration. There were no payments made in 2023/24.

In 2022/23 there were a total of 2,374 payments.

### **Covid-19 Unpaid Carers payments**

A one-off £500 payment was made available by Welsh Government (administered by Local Authorities) for unpaid carers receiving Carer's Allowance on 31st March 2022. Welsh Government provided guidance documents to aid local authorities with their administration. There were no payments made in 2023/24. In 2022/23 3,449 payments were made.

## Notes to the Accounts

### Bus Services Support grant

This is an annual Welsh Government grant that Swansea Council administers on behalf of the South West Wales region. The grant has two main purposes:

To provide a subsidy to local bus and community transport operators through the Live Kilometre Support Grant (LKSG) and secondly to provide funding to the four local authorities to support local bus and community transport services in their areas through the Local Transport Services Grant (LTSG).

In 2023/24, there were approximately 104 financial transactions (2022/23 approximately 206 financial transactions). This reduction is as a result of reverting the payments to the local bus and community transport operators to quarterly from monthly.

### Bus Emergency Scheme grant

This is a Welsh Government grant that Swansea Council administered on behalf of the South West Wales Region between 1st April and 24th July 2023 (inc). It was replaced by the Bus Transition Fund from 25th July 2023.

The Bus Emergency Scheme provided additional funding to local bus operators to make up for the reduction in 'on bus' revenue as passenger numbers continued to improve post-Covid.

For the four months in 2023/24 when the grant was in place, there were approximately 63 transactions (full year of 2022/23 approximately 160 transactions).

### Bus Transition Fund grant

This is another Welsh Government grant that Swansea Council administered on behalf of the South West Wales Region and was in place between 25th July 2023 and 31st March 2024 (inc). It replaced the Bus Emergency Scheme.

Like its predecessor, it provided additional funding to local bus operators to make up for the reduction in 'on bus' revenue as passenger numbers continued to improve post-Covid.

For the nine months in 2023/24 when the grant was in place, there were approximately 140 transactions.

### Town Centre Loans

This repayable funding is offered for the purpose of reducing the number of vacant, underutilised and redundant sites and premises in town centres and to support the diversification of the town centres by encouraging more sustainable uses for empty sites and premises such as residential, leisure and for key services. Loan terms of up to seven years interest free can be offered and the Authority is tasked with recycling the funding three times prior to the fifteen year award term from the Welsh Government.

### Welsh Government Owner Occupier Loans

These are an interest free loan to carry out repairs and improvement to owner occupied properties, subject to an affordability test, repayable in monthly instalments up to a ten year period.

## Notes to the Accounts

### Welsh Government Landlord Loans

These are an interest free loan to bring empty properties back into use or to carry repairs to existing rented properties for landlords, repayable in full in three years if intending to sell the property or five years if letting the property.

### Substance Misuse Action Team Capital grants

The Council acts as Banker to enable local organisations to access this Welsh Government scheme. The scheme awards grants to organisations who work in the Substance Misuse sector to improve their premises and IT equipment.

### Cost of Living payments

The Welsh Government set up a Cost-of-Living Support Scheme to be administered on its behalf by local authorities and it provided guidance to support the process. The scheme was split into mandatory and discretionary parts. £150 payments were made to eligible households under the main scheme. The Discretionary Scheme could then be used by each local authority to support households it considered to be in need of assistance with their living costs, including households eligible for support under the main scheme. Each local authority determined its use of discretionary support as it deemed appropriate to address known, and identified, local needs. There were no payments made in 2023/24. In 2022/23 127,848 payments were made.

### Fuel Support payments

Eligible households could claim a one-off £200 payment from their local authority to provide support towards paying their fuel costs. The payment was available to all eligible households however they paid for their fuel, whether that is, for example, on a pre-payment meter, by direct debit or by paying a bill quarterly and regardless of whether they are using on or off-grid fuel. Welsh Government provided guidance documents to aid local authorities with their administration. The scheme continued at the start of 2023/24 but has since ceased.

In 2022/23 29,192 payments were made.

### Energy Bills Support Scheme (Alternative Funding) payments

The Energy Bills Support Scheme Alternative Funding (EBSS AF) was a one-off £400 non-repayable payment to eligible households who had not received the main EBSS payment automatically (such as park home residents) to help with their energy bills. LAs were responsible for distributing the EBSS AF payments to eligible applicants and guidance was provided by the Department for Energy and Industrial Strategy (BEIS) to support the process.

In 2022/23, 286 payments were made (the scheme continued at the start of 2023/24 but has since ended).



### **Alternative Fuel Payments (Alternative Fund) payments**

The Alternative Fuel Payment Alternative Fund (AFP AF) provided a payment of £200 for households that use alternative fuels – such as heating oil, biomass and liquefied petroleum gas (LPG) – as the main source of heating and had not received the main AFP to help with their energy bills as they did not have a direct relationship with an electricity supplier. LAs were provided with guidance by the Department for Energy Security and Net Zero to aid the administration of the scheme.

In 2022/23, 7 payments were made (the scheme continued at the start of 2023/24 but has since ended).

### **Shared Prosperity Fund (SPF)**

The UK Shared Prosperity Fund is a central pillar of the UK Government's Levelling Up agenda and provides £2.6 billion across the UK, of funding for local investment by March 2025.

Swansea Council has been nominated to act as the lead authority on behalf of the South West Wales region.

### **Ukraine Initial Payments**

Welsh Government has provided a £200 per person payment to refugees recently arrived from Ukraine. This is meant to support citizens with their initial housing costs as they transfer from hosted accommodation.

### **Ukraine Host Payments**

The UK Government provides £350 per month for those who host Ukrainian refugees for a period of at least six months. These payments are administered by the Council and follow UK Government advice.



## Notes to the Accounts

### 32. Capital Expenditure and Capital Financing

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

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| <b>628,973</b>   | <b>Opening Capital Financing Requirement</b>                         | <b>629,809</b>   |
| 0                | Adjustment for Revenue Expenditure Funded from Capital under Statute | -17              |
| <b>628,973</b>   | <b>Adjusted Opening Capital Financing Requirement</b>                | <b>629,792</b>   |
|                  | <b>Capital investment</b>  |                  |
| 114,795          | Property, Plant and Equipment  | 124,337          |
| 468              | Heritage Assets  | 180              |
| 0                | Investment Properties  | 0                |
| 226              | Intangible Assets  | 30               |
| 8,644            | Revenue Expenditure Funded from Capital under Statute                | 9,219            |
|                  | <b>Sources of finance</b>  |                  |
| -7,090           | Capital receipts   | -5,185           |
| -69,777          | Government grants and other contributions                            | -58,329          |
|                  | Sums set aside from revenue:   |                  |
| -28,400          | Direct revenue contributions   | -31,414          |
| -18,030          | MRP/loans fund principal   | -19,537          |
| <b>629,809</b>   | <b>Closing Capital Financing Requirement</b>                         | <b>649,093</b>   |
|                  | <b>Explanation of movements in year</b>                              |                  |
| 2,206            | Increase in underlying need to borrowing                             | 34,012           |
| 40               | Assets acquired under finance leases                                 | 38               |
| -1,410           | Other movements in year  | -14,749          |
| <b>836</b>       | <b>Increase/decrease(-) in Capital Financing Requirement</b>         | <b>19,301</b>    |

The Opening Capital Finance Requirement for 2023/24 has been restated to correct a prior period adjustment error of £17k.

### 33. Termination Benefits

During 2023/24 the Authority incurred significant expenditure in terms of redundancy costs paid to leavers together with costs incurred in compensation payments to the Local Government Pension Fund in respect of early access pension costs.

On 17th November 2011, in order to meet significant budget savings required for the financial year 2011/12 and onwards, the Cabinet authorised officers to seek expressions of interest for voluntary redundancy and/or early retirement from within selected employee groups of the Authority in accordance with the Authority's agreed ER/VR policy. The offer remains extant on a rolling basis.

Costs were incurred relating to redundancy payments and early access to pension costs totalling £1.629m (2022/23 £1.782m) for the year.

These costs include provision for costs for a limited number of employees whose service will be terminated in 2024/25 but who had been offered - and accepted - severance terms as at 31st March 2024.

All costs relating to termination benefits have been included as part of service definitions within the Comprehensive Income and Expenditure Statement.

The above costs include both teaching and non teaching staff.

### 34. Pension Schemes Accounted for as Defined Contribution Schemes

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

The scheme is a multi-employer defined benefit scheme. The scheme is unfunded and the Department for Education uses a notional fund as a basis for calculating the employers' contribution rate paid by local authorities. Valuations of the notional fund are undertaken every four years.

## Notes to the Accounts

The scheme has in excess of 12,000 participating employers and consequently the Authority is not able to identify its share of the underlying financial position and performance of the scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme. As a proportion of the total contributions into the Teachers' Pension Scheme during the year ending 31st March 2024, the Authority's own contributions equate to approximately 0.3%.

In 2023/24 the Authority paid £22.5m to Teachers' Pensions in respect of teachers' retirement benefits, representing 23.7% of pensionable pay. The figures for 2022/23 were £21m and 23.7%. The March 2024 contributions of £1,879,296 were paid on the 15th April 2024. The contributions due to be paid in the next financial year are estimated to be £27.6m at an employer rate of 28.68%.

The Authority is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis and detailed in Note 35.

The Authority is not liable to the scheme for any other entities' obligations under the plan.

### 35. Defined Benefit Pension Schemes

#### Participation in Pension Schemes

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

The Authority participates in two post-employment schemes:

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

## *Notes to the Accounts*

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

The City and County of Swansea pension scheme is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the pensions committee of the City and County of Swansea. Policy is determined in accordance with the Pensions Fund Regulations. The investment managers of the fund are appointed by the committee and the committee consist of the Director of Finance, Council members and independent investment advisers.

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

### **Discretionary Post-retirement Benefits**

Discretionary post-retirement benefits on early retirement are an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. There are no plan assets built up to meet these pension liabilities.

### **Transactions Relating to Post-employment Benefits**

The cost of retirement benefits in the reported cost of services is recognised when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund and Housing Revenue Account via the Movement in Reserves Statement.

## Notes to the Accounts

The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

|  | Local Government Pension Scheme |                | Discretionary Benefits Arrangements |               |
|--|---------------------------------|----------------|-------------------------------------|---------------|
|  | 2023/24<br>£m                   | 2022/23<br>£m  | 2023/24<br>£m                       | 2022/23<br>£m |
| <b>Comprehensive Income and Expenditure Statement</b>  |                                 |                |                                     |               |
| <b>Net Cost of Services:</b>   |                                 |                |                                     |               |
| Current service cost   | 45.95                           | 88.57          | 0.00                                | 0.00          |
| Past service costs   | 0.84                            | 0.50           | 0.65                                | 0.00          |
| <b>Financing and Investment Income and Expenditure</b>   |                                 |                |                                     |               |
| Net interest expense   | -1.14                           | 16.22          | 3.46                                | 2.31          |
| <b>Total Post Employment Benefits Charged to the Surplus or Deficit on the Provision of Services</b>   | <b>45.65</b>                    | <b>105.29</b>  | <b>4.11</b>                         | <b>2.31</b>   |
| <b>Other Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement</b>  |                                 |                |                                     |               |
| <b>Remeasurement of the net defined benefit liability comprising:</b>  |                                 |                |                                     |               |
| Return on plan assets  | -155.68                         | 24.29          | 0.00                                | 0.00          |
| Actuarial gains(-) and losses arising on changes in demographic assumptions  | -25.27                          | 23.83          | -1.63                               | -0.39         |
| Actuarial gains(-) and losses arising on changes in financial assumptions  | -57.90                          | -867.62        | -1.12                               | -16.20        |
| Other  | 242.16                          | 139.81         | -1.68                               | 7.76          |
| <b>Total Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement</b>  | <b>48.96</b>                    | <b>-574.40</b> | <b>-0.32</b>                        | <b>-6.52</b>  |
| <b>Movement in Reserves Statement</b>  |                                 |                |                                     |               |
| Reversal of net charges made to the Surplus or Deficit on the Provision of Services for post employment benefits in accordance with the Code | -45.65                          | -105.29        | -4.11                               | -2.31         |
| <b>Actual amount charged against the General Fund Balance for pensions in the year:</b>  |                                 |                |                                     |               |
| Employers' contributions payable to the scheme   | 48.96                           | 51.97          |                                     |               |
| Retirement benefits payable to pensioners  |                                 |                | 5.88                                | 5.54          |

## Notes to the Accounts

### Pension Assets and Liabilities Recognised in the Balance Sheet

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

|  | Local Government Pension Scheme |               | Discretionary Benefits Arrangements |               |
|--|---------------------------------|---------------|-------------------------------------|---------------|
|  | 2023/24<br>£m                   | 2022/23<br>£m | 2023/24<br>£m                       | 2022/23<br>£m |
| Present value of the defined benefit obligation              | 1,636.05                        | 1,620.29      | 70.00                               | 76.20         |
| Fair value of plan assets                                    | 1,884.81                        | 1,646.12      | 0.00                                | 0.00          |
| <b>Sub total</b>   | <b>248.76</b>                   | <b>25.83</b>  | <b>-70.00</b>                       | <b>-76.20</b> |
| Unrecognised asset   | 248.76                          | 25.83         | 0.00                                | 0.00          |
| <b>Net liability arising from defined benefit obligation</b> | <b>0.00</b>                     | <b>0.00</b>   | <b>-70.00</b>                       | <b>-76.20</b> |

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

|  | Local Government Pension Scheme |                 | Discretionary Benefits Arrangements |               |
|--|---------------------------------|-----------------|-------------------------------------|---------------|
|  | 2023/24<br>£m                   | 2022/23<br>£m   | 2023/24<br>£m                       | 2022/23<br>£m |
| Opening fair value of scheme assets  | 1,646.12                        | 1,610.24        | 0.00                                | 0.00          |
| Interest income  | 77.52                           | 43.71           | 0.00                                | 0.00          |
| Remeasurement gain/loss(-):  |                                 |                 |                                     |               |
| The return on plan assets, excluding the amount included in the net interest expense | 155.68                          | -24.29          | 0.00                                | 0.00          |
| Contributions from employer  | 48.96                           | 51.97           | 5.88                                | 5.54          |
| Contributions from employees into the scheme   | 14.26                           | 13.25           | 0.00                                | 0.00          |
| Benefits paid  | -57.73                          | -48.76          | -5.88                               | -5.54         |
| <b>Closing fair value of scheme assets</b>   | <b>1,884.81</b>                 | <b>1,646.12</b> | <b>0.00</b>                         | <b>0.00</b>   |

## Notes to the Accounts

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

|  | Funded Liabilities:<br>Local Government<br>Pension Scheme |                 | Unfunded Liabilities:<br>Discretionary<br>Benefits<br>Arrangements |               |
|--|---|-----------------|--|---------------|
|  | 2023/24<br>£m   | 2022/23<br>£m   | 2023/24<br>£m  | 2022/23<br>£m |
| Opening Balance at 1st April   | 1,620.29  | 2,236.61        | 76.20  | 88.26         |
| Current service cost   | 45.95   | 88.57           | 0.00   | 0.00          |
| Interest cost  | 75.17   | 59.93           | 3.46   | 2.31          |
| Contributions from scheme participants                                 | 14.26   | 13.25           | 0.00   | 0.00          |
| Remeasurement gains(-) and losses:                                     |   |                 |  |               |
| Actuarial gains/losses arising from changes in demographic assumptions | -25.27  | 23.83           | -1.63  | -0.39         |
| Actuarial gains/losses arising from changes in financial assumptions   | -57.90  | -867.62         | -1.12  | -16.20        |
| Other  | 20.44   | 113.98          | -1.68  | 7.76          |
| Past service cost  | 0.84  | 0.50            | 0.65   | 0.00          |
| Benefits paid  | -57.73  | -48.76          | -5.88  | -5.54         |
| <b>Closing balance at 31st March</b>                                   | <b>1,636.05</b>   | <b>1,620.29</b> | <b>70.00</b>   | <b>76.20</b>  |

### Local Government Pension Scheme assets comprised:

|                                   | Fair value of scheme assets |                  |
|-----------------------------------|-----------------------------|------------------|
|                                   | 2023/24<br>£'000            | 2022/23<br>£'000 |
| Cash and cash equivalents         | 9,969                       | 9,044            |
|                                   | <b>9,969</b>                | <b>9,044</b>     |
| Pooled Equity Investment Vehicles |                             |                  |
| - UK                              | 0                           | 0                |
| - Global *                        | 1,198,828                   | 1,047,932        |
|                                   | <b>1,198,828</b>            | <b>1,047,932</b> |
| Property                          | 53,763                      | 56,666           |
|                                   | <b>53,763</b>               | <b>56,666</b>    |

## Notes to the Accounts

|                       | Fair value of scheme assets |                  |
|-----------------------|-----------------------------|------------------|
|                       | 2023/24<br>£'000            | 2022/23<br>£'000 |
| Fixed Interest:       |                             |                  |
| - Fixed Interest      | 157,826                     | 177,565          |
| - Index-Linked        | 14,947                      | 15,681           |
|                       | <b>172,773</b>              | <b>193,246</b>   |
| Hedge Funds           | 37,744                      | 34,676           |
|                       | <b>37,744</b>               | <b>34,676</b>    |
| Private Equity        | 145,839                     | 124,061          |
|                       | <b>145,839</b>              | <b>124,061</b>   |
| Infrastructure        | 87,482                      | 60,722           |
|                       | <b>87,482</b>               | <b>60,722</b>    |
| Private Debt          | 44,721                      | 40,063           |
|                       | <b>44,721</b>               | <b>40,063</b>    |
| Residential Housing   | 19,494                      | 12,836           |
|                       | <b>19,494</b>               | <b>12,836</b>    |
| Timberland & Farmland | 45,633                      | 77               |
|                       | <b>45,633</b>               | <b>77</b>        |
| Trade Finance         | 62,090                      | 57,873           |
|                       | <b>62,090</b>               | <b>57,873</b>    |
| Derivatives           | 5,437                       | 6,510            |
|                       | <b>5,437</b>                | <b>6,510</b>     |
| Cash Funds            | 0                           | 0                |
|                       | <b>0</b>                    | <b>0</b>         |
| Cash - Dividends Due  | 66                          | 2                |
|                       | <b>66</b>                   | <b>2</b>         |
| Net Current Assets    | 1,959                       | 2,404            |
|                       | <b>1,959</b>                | <b>2,404</b>     |
| <b>Total Assets</b>   | <b>1,885,798</b>            | <b>1,646,112</b> |

\* Note - The three segregated equity funds with JP Morgan, Aberdeen and Schroders Uk were transitioned in January 2019 to the Wales Pension Partnership Global Opportunities Fund, a Pooled Equity Investment Vehicle.



## Notes to the Accounts

### Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. Both the Local Government Pension Scheme and discretionary benefits liabilities have been assessed by Aon Hewitt Limited, an independent firm of actuaries, estimates for the Fund being based on the latest full valuation of the scheme as at 31st March 2022.

The significant assumptions used by the Actuary have been:

|   | Local Government Pension Scheme |         | Discretionary Benefits |         |
|---|---------------------------------|---------|------------------------|---------|
|   | 2023/24                         | 2022/23 | 2023/24                | 2022/23 |
| Mortality assumptions:                          |                                 |         |                        |         |
| Longevity at 65 for current pensioners: (years) |                                 |         |                        |         |
| - Men   | 21.7                            | 22.2    | 21.7                   | 22.2    |
| - Women   | 24.3                            | 24.7    | 24.3                   | 24.7    |
| Longevity at 65 for future pensioners: (years)  |                                 |         |                        |         |
| - Men   | 22.4                            | 22.9    |                        |         |
| - Women   | 25.3                            | 25.8    |                        |         |
| Rate of inflation %                             | 2.6                             | 2.7     | 2.6                    | 2.7     |
| Rate of increase in salaries %                  | 4.1                             | 4.2     |                        |         |
| Rate of increase in pensions %                  | 2.6                             | 2.7     | 2.6                    | 2.7     |
| Rate for discounting scheme liabilities %       | 4.8                             | 4.7     | 4.8                    | 4.7     |

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

## Notes to the Accounts

|  | Impact on the Defined Benefit Obligation<br>in the Scheme |                                 |
|--|---|---------------------------------|
|  | Increase in<br>Assumption<br>£m                           | Decrease in<br>Assumption<br>£m |
| Longevity (increase or decrease in 1 year)                             | 1,591.88  | 1,680.22                        |
| Rate of increase in salaries (increase or decrease by 0.1%)            | 1,640.96  | 1,632.78                        |
| Rate of increase in pensions (increase or decrease by 0.1%)            | 1,658.95  | 1,611.51                        |
| Rate for discounting scheme liabilities (increase or decrease by 0.1%) | 1,608.24  | 1,663.86                        |

### Asset and Liability Matching (ALM) Strategy

The pensions committee of the City and County of Swansea has agreed to an asset and liability matching strategy (ALM) that matches, to the extent possible, the types of assets invested to the liabilities in the defined benefit obligation. The fund has matched assets to the pensions' obligations by investing in long-term fixed interest securities and index linked gilt edged investment with maturities that match the benefits payments as they fall due. This is balanced with a need to maintain the liquidity of the fund to ensure that it is able to make current payments.

As is required by the pensions and investment regulations the suitability of various types of investment has been considered, as has the need to diversify investments to reduce the risk of being invested in too narrow a range. A large proportion of the assets relate to equities (70.8% of scheme assets) and bonds (0.9%). These percentages are materially the same as the comparative year. The scheme also invests in properties as a part of the diversification of the scheme's investments. There is a limited use of derivatives to manage the bond risk for the shorter-term instruments. The ALM strategy is monitored annually or more frequently if necessary.

### Impact on the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The Authority has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 25 years. Funding levels are monitored on an annual basis. The next triennial valuation is as at 31st March 2025.

## Notes to the Accounts

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service schemes may not provide benefits in relation to service after 31st March 2014. The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The Authority expects to pay £50.09m contributions to the scheme in 2024/25.

The weighted average duration of the defined benefit obligation for scheme members is 17.2 years (2022/23 17.5 years).

### Surplus Recognition and Additional Liability

The Pension Scheme has a net pension asset at the accounting date. The Actuary has calculated the maximum economic benefit that can be recognised in the accounts (referred to as the asset ceiling) calculated in accordance with IFRIC 14. As the asset ceiling is below the net pensions asset, the net pension asset has been restricted to the asset ceiling. The Council is currently not paying a deficit contribution, therefore IFRIC 14 does not require recognition of the additional liability.

### Equalisation and indexation of Guaranteed Minimum Pensions

Following legislative change in 2021, the Local Government Pension Scheme is now required to pay full CPI increases on Guaranteed Minimum Pensions (GMPs) for members whose State Pension Age is after April 2016. Separate to this, the High Court ruled in two Lloyds Banking Group cases (2018 and 2020) that schemes are required to equalise male and female benefits for the effect of unequal GMPs, and these requirements extend to members who have died or transferred out. Government has not yet set out its policy intention for historic deaths and transfers so some uncertainty remains for such members. The actuarial present value of the defined benefit obligation allows for pension increases in line with the indexation requirements. However, the fund actuary has not estimated a potential cost of equalising payment terms for the small minority of members whose benefits remain unequal after full indexation, nor for historic deaths or transfers.

### Virgin Media Case

In June 2023 the High Court found that changes to member benefits in contracted out defined benefit pension schemes between 1996 and 2016 required an actuarial certificate in line with section 37 of the Pension Schemes Act 1993 and that changes without this certification are to be considered void. This requirement applies to past service rights and future service rights, and to changes to the detriment or benefit of scheme members. An appeal in June 2024 was dismissed. The Government's Actuary Department is reviewing the scheme changes to confirm whether actuarial certificates are available. Due to the time periods covered, it is unclear how long this review process will take. Due to the uncertainty over whether there is a liability, and where there is, the current lack of information about the timing and value of the liability. The Pension Liability included within the accounts does not include an adjustment for the Virgin Media Case.

## Notes to the Accounts

### McCloud

The Local Government Pension Scheme Regulations covering the McCloud remedy has been concluded. The net pension liability reported in the accounts includes the liability related to the McCloud judgement.

### 36. Contingent Liabilities

The Authority has identified a number of contingent future liabilities arising from current and past activities.

| Nature of Liability                 | Potential Financial Effect<br>£'000 | Comment  | Timing             |
|-------------------------------------|-------------------------------------|--|--------------------|
| Personal Social Services            | Unknown                             | Relates to potential negligence claims relating to those cared for by the Council or its contractors. The Authority is not currently aware of any major claims although court ruling against UK government covid discharge policies may increase the future risk of claims.  | Unknown            |
| Legal and Insurance related matters | Unknown                             | The Council is regularly challenged on a range of issues that are either subject to litigation or insurance claims. The Council at all times will vigorously defend such claims, and in cases where claims are identified, the result can be anticipated and the potential financial effect evaluated then adequate provision is made with the Accounts for any such liabilities. There remains the possibility however of future claims arising as a result of past actions that are either unknown at the Balance Sheet date or where the outcome is so unpredictable in terms of outcome or financial liability that no reliable estimate of liability can be made.                       | Unknown            |
| City Deal                           | Circa £5-£10m                       | The Council has progressed a range of regeneration and redevelopment schemes within the City Centre using a mix of its own funds and Welsh Government support and significant City Deal monies have now started to arrive. There is however a residual risk that if the required private sector funding is not delivered there is a small risk of grant clawback if the overall outcomes are not achieved. This risk is partly minimised by the fact that funding agreements are now in place between the Council and the two universities for their element of the City Deal delivery and direct control will be retained for the regional aspects of the City Deal carried out in Swansea. | 2024/25 and beyond |

## Notes to the Accounts

| Nature of Liability   | Potential Financial Effect<br>£'000 | Comment   | Timing                                    |
|---|-------------------------------------|---|---|
| WEFO grant  | Circa £6m                           | <p>In 2017, the Council was awarded a grant of £4.5m split between capital and revenue. This amount was subsequently increased to £6m in total.</p> <p>As at year end 2022/23 some of the grant conditions had not been met although the associated projects had advanced and incurred significant expenditure.</p> <p>Due to some of the expenditure possibly not meeting the grant terms, there is a possibility that some of the grant might have to be paid back.</p> <p>In March 2024 a revised variation letter from the grant awarding body was received which enabled the Council to seek full grant drawdown due to a change in indicator outputs.</p> <p>A final financial claim has been submitted and if approved the grant awarding body will invite an indicator only claim which has the purpose of measuring the delivered outputs on the completed scheme.</p> <p>The grant awarding body will reserve the right to consider reclaiming any grant funding if remaining conditions around the outstanding targets have not been met.</p> <p>As yet the exact amount that could be paid back and timing of when payment would be made are uncertain.</p> | Unknown                                   |
| Health and Safety investigation and potential future legal action / prosecution | Unknown                             | <p>The authority is currently in the very early stages of an HSE investigation arising out of a serious incident in the Parks Department in July 2023. It is not clear where this investigation might lead and no date for an inquest has been set in relation to this serious incident. The legal advice received by the Authority is, therefore, that it is not possible, at this very early stage of the process, to properly consider a financial provision in respect of regulatory fines. Not least, we understand, this is because there is no prosecution underway at this time.</p>  | More than 1 year likely less than 3 years |
| Renting Homes (Wales) Act 2016 (RHWA)   | Cannot be estimated                 | <p>From December 2023, the Renting Homes (Wales) Act 2016 brought into effect a change in rights for tenants and increased safety responsibilities for landlords. This has potential financial implications for the Housing Revenue Account, however this cannot be estimated at this stage. The Council is taking legal advice to clarify its responsibilities and any potential remedial actions.</p>   | Unknown                                   |

## Notes to the Accounts

### 37. Council Tax

Council Tax income derives from charges raised according to the value of residential properties, which have been grouped into nine valuation bands using 1st April 2003 values for this specific purpose. Charges are calculated by taking the amount of income required for the Council, South Wales Police Authority and community councils for the forthcoming year and dividing the amount by the Council Tax base.

The Council Tax base is the number of properties in each band adjusted by a multiplier to convert the number to band 'D' equivalent and adjusted for discounts. The base was 91,454 in 2023/2024 (93,114 in 2022/2023).

Council Tax bills are based on multipliers for bands A to I. The following table shows the multiplier applicable to each band together with the equivalent number of Band 'D' properties within each band. In addition there is one lower band (A\*) designed to offer the appropriate discount in respect of disabled dwellings where legislation allows a reduction in banding to that one below the band in which the property is actually valued.

The band 'D' numbers shown have been adjusted for an assumed collection rate of 94.5% (96.5% in 2022/23) to arrive at the Council Tax base for the year.

| Band            | A*  | A     | B      | C      | D      | E      | F      | G     | H     | I     |
|-----------------|-----|-------|--------|--------|--------|--------|--------|-------|-------|-------|
| Multiplier      | 5/9 | 6/9   | 7/9    | 8/9    | 9/9    | 11/9   | 13/9   | 15/9  | 18/9  | 21/9  |
| Band 'D' Number | 20  | 9,493 | 18,887 | 19,174 | 14,807 | 14,104 | 10,815 | 6,068 | 2,282 | 1,127 |

#### Analysis of the net proceeds from Council Tax:

| 2022/23<br>£'000 |   | 2023/24<br>£'000 |
|------------------|---|------------------|
| 168,099          | Council tax collectable                         | 180,002          |
| -2,097           | Less:- Provision for non payment of Council Tax | -4,366           |
| -22,577          | Less:- Council Tax Support Scheme               | -24,153          |
| <b>143,425</b>   | <b>Net proceeds from Council Tax</b>            | <b>151,483</b>   |

#### Application of Council Tax proceeds:

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| 164,273          | City & County of Swansea precept       | 171,343          |
| 1,697            | Community Council precept              | 1,829            |
| <b>165,970</b>   | <b>Council Tax requirement</b>         | <b>173,172</b>   |
| -22,577          | Less:- Council Tax Support Scheme      | -24,153          |
| 32               | Transfer to reserves (Surplus/Deficit) | 2,464            |
| <b>143,425</b>   | <b>Net application of proceeds</b>     | <b>151,483</b>   |

### 38. Non-Domestic Rates (NDR)

NDR is organised on a national basis. The Welsh Government specifies an amount of the rate per pound of rateable value which for 2023/24 was 0.535p (0.535p in 2022/23) and, subject to the effects of transitional arrangements, local businesses pay rates calculated by multiplying their rateable value by that amount. The Council is responsible for collecting rates due from ratepayers in its area but pays the proceeds into the NDR Pool administered by the Welsh Government. The Welsh Government redistributes the sums payable back to local authorities on the basis of a fixed amount per head of population. The rateable value for 2023/24 was £177.316m (2022/23 £179.055m).

### 39. Nature and extent of risks arising from Financial Instruments

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

- 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.
- market risk - the possibility that financial loss might rise for the Authority as a result of changes in such measures as interest rates and stock market movements.

The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial resources available to fund services. Risk management is carried out by a central treasury team, under policies approved by the Council in the Annual Treasury Management Strategy. The Council provides written principles for overall risk management, as well as covering specific areas, such as interest rate risk, credit risk and the investment of surplus cash.

#### Credit Risk

Credit risk arises from deposits with banks, building societies and other local authorities as well as credit exposures to the Authority's customers.

The risk is minimised through the Annual Investment Strategy which outlines the minimum credit criteria required for the Authority. The full details of the credit criteria are outlined in the previously published Treasury Management Strategy report available on the Council's website.

#### Credit Risk Management Practices

The Authority's credit risk management practices are set out in the Annual Treasury Management Investment Strategy presented to Council in March 2024.



## Notes to the Accounts

### Amounts Arising from Expected Credit Losses

The changes in the loss allowance during the year are as follows:

#### Loss allowance by Asset Class

| Asset Class (amortised cost)   | 12-month expected credit losses<br>£'000 | Lifetime expected credit losses – not credit impaired<br>£'000 | Lifetime expected credit losses – credit impaired<br>£'000 | Lifetime expected credit losses – simplified approach<br>£'000 | Purchased or originated credit impaired financial assets<br>£'000 | Total<br>£'000 |
|--|--|--|--|--|---|----------------|
| <b>Opening balance as at 1 April 2023</b>  | 0  | 0  | 0  | 5,490  | 0   | 5,490          |
| Transfers:   |  |  |  |  |   |                |
| • Individual financial assets transferred to 12-month expected credit losses                 | 0  | 0  | 0  | 0  | 0   | 0              |
| • Individual financial assets transferred to lifetime expected credit losses                 | 0  | 0  | 0  | 0  | 0   | 0              |
| • Individual financial assets transferred to lifetime expected credit losses credit impaired | 0  | 0  | 0  | 0  | 0   | 0              |
| New financial assets originated or purchased   | 0  | 0  | 0  | 3,324  | 0   | 3,324          |
| Amounts written off  | 0  | 0  | 0  | -168   | 0   | -168           |
| Financial assets that have been derecognised   | 0  | 0  | 0  | 0  | 0   | 0              |
| Changes due to modifications that did not result in derecognition                            | 0  | 0  | 0  | 0  | 0   | 0              |
| Changes in models/risk parameters  | 0  | 0  | 0  | 0  | 0   | 0              |
| Other changes  | 0  | 0  | 0  | 0  | 0   | 0              |
| <b>Balance as at 31 March 2024</b>   | <b>0</b>                                 | <b>0</b>   | <b>0</b>   | <b>8,646</b>   | <b>0</b>  | <b>8,646</b>   |



## Notes to the Accounts

### Loss allowance by Asset Class - Comparative year information

| Asset Class (amortised cost)   | 12-month expected credit losses<br>£'000 | Lifetime expected credit losses – not credit impaired<br>£'000 | Lifetime expected credit losses – credit impaired<br>£'000 | Lifetime expected credit losses – simplified approach<br>£'000 | Purchased or originated credit impaired financial assets<br>£'000 | Total<br>£'000 |
|--|--|--|--|--|---|----------------|
| <b>Opening balance as at 1 April 2022</b>  | <b>0</b>                                 | <b>0</b>   | <b>0</b>   | <b>7,730</b>   | <b>0</b>  | <b>7,730</b>   |
| Transfers:   |  |  |  |  |   |                |
| • Individual financial assets transferred to 12-month expected credit losses                 | 0  | 0  | 0  | 0  | 0   | 0              |
| • Individual financial assets transferred to lifetime expected credit losses                 | 0  | 0  | 0  | 0  | 0   | 0              |
| • Individual financial assets transferred to lifetime expected credit losses credit impaired | 0  | 0  | 0  | 0  | 0   | 0              |
| New financial assets originated or purchased   | 0  | 0  | 0  | 0  | 0   | 0              |
| Amounts written off  | 0  | 0  | 0  | -607   | 0   | -607           |
| Financial assets that have been derecognised   | 0  | 0  | 0  | -1,633   | 0   | -1,633         |
| Changes due to modifications that did not result in derecognition                            | 0  | 0  | 0  | 0  | 0   | 0              |
| Changes in models/risk parameters  | 0  | 0  | 0  | 0  | 0   | 0              |
| Other changes  | 0  | 0  | 0  | 0  | 0   | 0              |
| <b>Balance as at 31 March 2023</b>   | <b>0</b>                                 | <b>0</b>   | <b>0</b>   | <b>5,490</b>   | <b>0</b>  | <b>5,490</b>   |

## Notes to the Accounts

### Credit Risk Exposure

The Authority has the following exposure to credit risk at 31 March 2024:

|   | Credit risk rating | Gross carrying amount<br>£'000 |
|---|--------------------|--------------------------------|
| 12-month expected credit losses                               | PPP                | 0                              |
|   | PP                 | 0                              |
|   | P                  | 0                              |
| Significant increase in credit risk since initial recognition | QQQ                | 0                              |
|   | QQ                 | 0                              |
|   | Q                  | 0                              |
| Credit-impaired at 31 March                                   | RRR                | 0                              |
|   | RR                 | 0                              |
|   | R                  | 0                              |
| Simplified approach   | SSS                | 0                              |
|   | SS                 | 0                              |
|   | S                  | 0                              |

### Liquidity Risk

The Authority has a cashflow management system to ensure cash is available when needed. If unexpected movements happen, the Authority has ready access to the money markets and the Public Works Loan Board. There is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. Instead, the risk may be bound to replenish a proportion of its borrowings at times of unfavourable interest rates. The Authority sets limits on the proportion of its fixed borrowing during specific periods and seeks to ensure an even maturity profile through a combination of planning when to take new loans and where economic when to make early repayments.

The maturity structure of financial liabilities at nominal value is as follows:

| On 31 March<br>2023<br>£'000 | Loans outstanding      | On 31 March<br>2024<br>£'000 |
|------------------------------|------------------------|------------------------------|
| 71,377                       | Less than 1 year       | 91,079                       |
| 5,508                        | Between 1 and 2 years  | 7,581                        |
| 34,523                       | Between 2 and 5 years  | 41,890                       |
| 55,688                       | Between 5 and 10 years | 47,546                       |
| 596,269                      | More than 10 years     | 572,904                      |
| <b>763,365</b>               | <b>Total</b>           | <b>761,000</b>               |

All trade payables are included in less than one year.

## Notes to the Accounts

### Market Risk

#### Interest rate risk

The Authority is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Authority. A rise in interest rates would have the following effects:

- borrowings at variable rates - the interest expense charged to the Surplus or Deficit on the Provision of Services will rise
- borrowings at fixed rates - the fair value of the liabilities borrowings will fall
- investments at variable rates - the interest income credited to the Surplus or Deficit on the Provision of Services will rise
- investments at fixed rates - the fair value of the assets will fall

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund balance.

The Authority has a number of strategies for managing interest rate risk. The policy is to have up to a maximum of 40% of its borrowings in variable rate loans. During periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans will be repaid early to limit exposure to losses.

The treasury management team has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget and which is used to inform budget monitoring during the year. This allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

According to this assessment strategy, at 31 March 2024, if interest rates had been 1% higher than market rate with all other variables held constant, the financial effect would be:

|   | 2023/24<br>£'000 |
|---|------------------|
| Increase in interest payable on variable rate borrowings              | 400              |
| Increase in interest receivable on variable rate investments          | 0                |
| Increase in government grant receivable for financing costs           | 213              |
| <b>Impact on Surplus or Deficit on the Provision of Services</b>      | <b>613</b>       |
| <b>Share of overall impact debited to the Housing Revenue Account</b> | <b>96</b>        |
| Decrease in fair value of fixed rate investment assets                | 0                |
| <b>Impact on Other Comprehensive Income and Expenditure</b>           | <b>0</b>         |

## Notes to the Accounts

|  | 2023/24<br>£'000 |
|--|------------------|
| Decrease in fair value of fixed rate borrowing liabilities (no impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive I&E) | -62,984          |

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

### Price Risk

The Authority does not generally invest in traditional equity shares.

### Foreign Exchange Risk

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

## 40. Leasing

### Council as Lessor

#### Operating Leases

The Council was committed as at 31st March 2024 to receive income of £291,730 million (£289,169 million as at 31st March 2023) under operating leases for land & buildings comprising the following elements:

|   | 31st March<br>2023<br>£'000 | 31st March<br>2024<br>£'000 |
|---|-----------------------------|-----------------------------|
| <b>Minimum Income</b>                             |                             |                             |
| Not later than one year                           | 5,902                       | 6,064                       |
| Later than one year and not later than five years | 19,035                      | 20,746                      |
| Later than five years                             | 264,232                     | 262,496                     |
|   | <b>289,169</b>              | <b>289,306</b>              |

## *Housing Revenue Account Income and Expenditure Statement*

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

| 2022/23<br>£'000 |  | Note | 2023/24<br>£'000 |
|------------------|--|------|------------------|
| 19,351           | Repairs and maintenance  |      | 24,664           |
| 16,188           | Supervision and management   |      | 15,473           |
| 1,065            | Rent, rates, taxes and other charges   |      | 1,149            |
| 35,920           | Depreciation and impairment of non-current assets  | 3    | 30,680           |
| 92               | Debt management costs  |      | 92               |
| <b>72,616</b>    | <b>Total Expenditure</b>   |      | <b>72,058</b>    |
| -68,251          | Dwelling rents   |      | -73,103          |
| -114             | Non-dwelling rents   |      | -108             |
| -3,302           | Charges for services and facilities  |      | -3,865           |
| -1,353           | Contributions towards expenditure  |      | -1,236           |
| <b>-73,020</b>   | <b>Total Income</b>  |      | <b>-78,312</b>   |
| <b>-404</b>      | <b>Net cost of HRA services as included in the Comprehensive Income and Expenditure Statement</b>                        |      | <b>-6,254</b>    |
| 852              | HRA services' share of Corporate and Democratic Core   |      | 814              |
| <b>448</b>       | <b>Net cost for HRA services</b>   |      | <b>-5,440</b>    |
|                  | <b>HRA share of the Operating Income and Expenditure included in the Comprehensive Income and Expenditure Statement:</b> |      |                  |
| 6,344            | Interest payable and similar charges   |      | 6,491            |
| -434             | Interest and investment income   |      | -855             |
| 414              | Impairment Losses  |      | 734              |
| 926              | Net interest on the net defined benefit liability/asset(-)   |      | 56               |
| -18,157          | Capital grants and contributions receivable  |      | -17,326          |
| <b>-10,459</b>   | <b>Surplus(-)/Deficit for the year on HRA services</b>   |      | <b>-16,340</b>   |

## ***Movement on the Housing Revenue Account Statement***

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
| 5,239            | Balance on the HRA at the end of the previous year                             | 10,408           |
| 10,459           | Surplus or deficit(-) for the year on the HRA Income and Expenditure Statement | 16,340           |
| -5,290           | Adjustments between accounting basis and funding basis under statute           | -10,450          |
| <b>5,169</b>     | <b>Net decrease before transfers to or from reserves</b>                       | <b>5,890</b>     |
| 0                | Transfers to/from(-) earmarked reserves  | 0                |
| <b>5,169</b>     | <b>Increase or decrease(-) in the year on the HRA</b>                          | <b>5,890</b>     |
| <b>10,408</b>    | <b>Balance on the HRA at the end of the current year</b>                       | <b>16,298</b>    |

### Adjustments between accounting basis and funding basis under statute

#### Adjustments to Revenue Resources

Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:

|               |   |               |
|---------------|---|---------------|
| 2,570         | Pension costs (transferred to (or from) the Pensions Reserve)   | -37           |
| 0             | Financial instruments (transferred to the Financial Instruments Adjustment Account)   | 0             |
| -117          | Holiday pay (transferred to the Accumulated Absences Reserve)   | -42           |
| 17,763        | Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account): | 13,354        |
| <b>20,216</b> | <b>Total Adjustments to Revenue Resources</b>   | <b>13,275</b> |

#### Adjustments between Revenue and Capital Resources

|                |   |                |
|----------------|---|----------------|
| -3,715         | Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)    | -3,649         |
| -21,791        | Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account) | -20,076        |
| <b>-25,506</b> | <b>Total Adjustments between Revenue and Capital Resources</b>                                  | <b>-23,725</b> |
| <b>-5,290</b>  | <b>Total Adjustments</b>  | <b>-10,450</b> |

## Notes to the Housing Revenue Account

### 1. Housing Stock

As at 31st March 2024 the Authority owned a total of 13,766 properties, made up of different types of dwelling including detached houses, semi-detached houses, bungalows, low level flats, high rise accommodation and sheltered accommodation.

The change in stock numbers can be summarised as follows:

| 31/03/2023<br>Units |                                       | 31/03/2024<br>Units |
|---------------------|---------------------------------------|---------------------|
| 13,637              | Stock at 1 <sup>st</sup> April        | 13,723              |
| 86                  | Additions (operational dwellings)     | 43                  |
| 0                   | Additions (non-operational dwellings) | 0                   |
| <b>13,723</b>       | <b>Stock at 31<sup>st</sup> March</b> | <b>13,766</b>       |

### 2. Capital expenditure

During 2023/24 £37.610m (2022/23 £39.948m) was spent on HRA Properties.

This was financed as follows:-

| 2022/23<br>£'000 |                                  | 2023/24<br>£'000 |
|------------------|----------------------------------|------------------|
| 9,283            | Grants – Major Repairs Allowance | 9,280            |
| 8,874            | Grants - Other                   | 7,629            |
| 0                | Capital Contributions            | 625              |
| 21,791           | Revenue and Balances             | 20,076           |
| 0                | Borrowing                        | 0                |
| <b>39,948</b>    | <b>Total</b>                     | <b>37,610</b>    |

The Major Repairs Allowance was used in full in 2023/24 and 2022/23.

## Notes to the Housing Revenue Account

### 3. Depreciation charges and impairment

The total charge for depreciation and impairment made to the HRA for 2023/24 amounted to £30.680m (2022/23 £35.920m) and is analysed as follows:-

| 2022/23<br>£'000 |  | 2023/24<br>£'000 |
|------------------|--|------------------|
|                  | Depreciation on operational assets                     |                  |
| 9,243            | - dwellings  | 9,800            |
| 32               | - other property                                       | 36               |
| 27               | Depreciation on non-operational assets                 | 40               |
|                  | Revaluation Gains (-) and Losses on operational assets |                  |
| 26,615           | - dwellings  | 20,793           |
| 0                | - other property                                       | -18              |
| 3                | Revaluation Losses on non-operational assets           | 29               |
|                  | Impairment   |                  |
| 0                | - dwellings  | 0                |
| 0                | - other property                                       | 0                |
| <b>35,920</b>    | <b>Total</b>   | <b>30,680</b>    |

The depreciation charge in respect of HRA assets is not an actual charge against the HRA Balance. It is reversed out in the Movement on the HRA Statement, and replaced with HRA Minimum Revenue Provision specified in the Item 8 Determination, via a transfer to or from the Capital Adjustment Account.



### 1. Scope of Responsibility

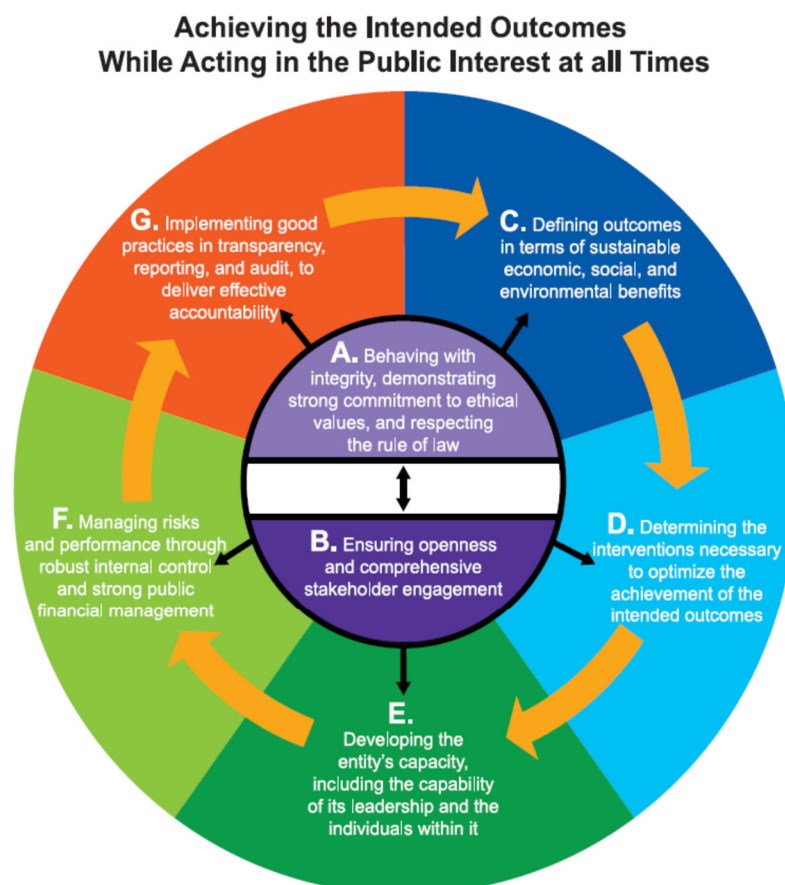
- 1.1 The City and County of Swansea is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under Part 1 of the Local Government Act 1999 requires authorities to make arrangements to secure continuous improvement in the way they carry out their functions and have due regard to a combination of economy, efficiency, and effectiveness when exercising their functions. The Local Government and Elections (Wales) Act 2021 requires Councils to continually assess their performance and their effectiveness in their use of resources and governance.
- 1.2 In discharging this overall responsibility, the City and County of Swansea is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 1.3 The City and County of Swansea adopted a Code of Corporate Governance on 24 August 2017, which is consistent with the principles of the new CIPFA/SOLACE Framework '*Delivering Good Governance in Local Government 2016*'. A copy of the Code can be found on the Council's website.

### 2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems and processes, culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place at the City and County of Swansea throughout the year ended 31 March 2024 and up to the date of approval of the Statement of Accounts.

## 3. The Governance Framework

- 3.1 The Council has adopted a Code of Corporate Governance based on the “*Delivering Good Governance in Local Government*” framework published by CIPFA and SOLACE in 2016.



- 3.2 This Statement explains how the Council has complied with the Governance Framework and meets the requirements of the Accounts and Audit (Wales) Regulations 2014 (as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018). The Council aims to achieve a good standard of governance by adhering to the 7 key principles of the CIPFA/Solace 2016 Guidance.

- 3.3 The 7 key principles are:

- A) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- B) Ensuring openness and comprehensive stakeholder engagement.
- C) Defining outcomes in terms of sustainable economic, social and environmental benefits.
- D) Determining the interventions necessary to optimise the achievement of the intended outcomes.
- E) Developing the entity's capacity, including the capability of its leadership and the individuals within it.

- F) Managing risks and performance through robust internal control and strong public financial management.
  - G) Implementing good practices in transparency, reporting and audit to deliver effective accountability.
- 3.4 The application of the principles of good governance is summarised below which sets out supporting information for the 7 key principles.
- 3.5 **Note - although the impact from the pandemic had lessened during 2023/24, the issues set out within the Governance Statement have been materially affected by the COVID-19 pandemic. However, it should be noted that the Statutory Governance Chief Officers and CMT continued to maintain corporate grip to ensure that sufficient governance was maintained.**

## Principle A

**Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

### Sub Principles:

**Behaving with Integrity**

**Demonstrating strong commitment to ethical values**

**Respecting the rule of law**

### How we do this:

Page 186

- The behaviour and expectations of officers/members is set out in the Constitution, Officer and Member Code of Conduct and Protocol.
- The Monitoring Officer provides training on the code of conduct and ensures the highest standards of conduct by the authority, members and officers – including use of Council email protocol.
- The Standards Committee is responsible for monitoring and scrutinising the standards of Members.
- Member led authority principles with training to senior officers and Cabinet members.
- Compliance with a suite of policies/rules set out in the Constitution.
- The Constitution sets out requirements as to gifts and hospitality and there are regular reminders circulated to both officers and members.
- Adoption of Member Dispute Resolution Protocol.
- Officers/members declarations of interest.
- Officer Secondary Employment Policy.

- The Council's appraisal and recruitment system based on competencies, training and objectives underpin personal behaviours with ethical values.
- Commitment to working to promote high standards of performance based on the Nolan principles.
- Adoption of Welsh Government ethical ways of working.
- The Swansea Pledge.
- The Constitution contains comprehensive Procurement and Financial Procedure Rules.

- The Statutory officers and Members ensure compliance with legislative and regulatory requirements via a robust framework including the scheme of delegation, induction training, standing procedures and rules set out in the Constitution.
- Reports to Committees have legal/finance clearance.
- Robust Scrutiny and Call-In function.
- Robust audit challenge.
- External challenge from auditors, Ombudsman and other external agencies.
- The Monitoring Officer ensures the Council complies with statute and reports on any maladministration.
- An effective anti-fraud and corruption framework supported by a suite of policies i.e. whistleblowing.

## Principle B

### Ensuring openness and comprehensive stakeholder engagement

#### Sub Principles:

##### Openness

##### Engaging comprehensively with institutional stakeholders

##### Engaging stakeholders effectively, including individual citizens and service users

#### How we do this:

- The Council is committed to ensuring an open culture evidenced by open meetings and publication of agendas and minutes.
- A Forward Plan showing key decisions to be made by Council and Cabinet is published.
- There is appropriate Consultation and Engagement supporting the decision making process including annual budget consultation, co-production, engagement with trade unions and engagement with Disability and LGBTQ+ communities.
- There are Public questions at Council and Cabinet and Scrutiny meetings.
- Service Transformation Committees are open to the public.
- There is engagement with children and young people to meet the requirement of the UNCRC.
- There is pre-decision scrutiny of Cabinet decisions and Call-In procedure
- Corporate risks are published.

- The Council adopts a Team Swansea approach working as a whole Council and effectively engages with stakeholders to ensure successful and sustainable outcomes by:
  - targeting communications;
  - effective use of social media;
  - formal and informal meetings with key stakeholder groups i.e. External auditors, Welsh Government, Health board.
- The Council has an extensive range of partnerships to support the delivery of the Council's objectives including:
  - The Public Services Board.
  - The Safer Swansea Partnership.
- The Council has adopted the Community/Town Council Charter and facilitates the Community/Town Council forum meetings with the 24 Councils.

- The Council has appropriate structures in place to encourage public participation which is used to inform proposals and key decisions including:
  - A Consultation and Engagement Strategy.
  - A Co-production Framework.
  - "Have your Say" consultations on website.
  - Scrutiny invites stakeholder contributions and participation.
  - A Staff Survey with responses considered by CMT/Senior Management.
  - A Complaints Policy and Annual Report to assess organisational learning and change.
  - The appointment of Councillor Champions who provide a voice for under-represented groups.
  - An Integrated Impact Assessment to assess the equality, socio-economic and sustainability impacts on people with protected characteristics and future generations.

Principle C

Defining outcomes in terms of sustainable economic, social and environmental benefits

Sub Principles:

Defining outcomes

Sustainable economic, social and environmental benefits

How we do this:

- The Council has a clear vision which is set out in the Corporate Plan *Delivering a Successful & Sustainable Swansea* which prioritises 6 Well-being Objectives.
- Delivery of the Corporate Plan is monitored through the Council's Performance Management Framework with quarterly and annual performance monitoring by CMT/Cabinet.
- There is an Annual Performance Review.
- Annual Service Plans address the sustainability of service delivery along with key corporate priorities.
- There is monthly Performance and Financial Monitoring meetings held for each Directorate.
- There is a Corporate Risk Management Policy ensuring consistent application of risk registers and terminology and audit scrutiny.

- The Council takes a long term and sustainable view and balances the economic, social and environmental impact of policies and plans by:
  - Medium Term Financial Planning covering 3 financial years approved annually by Council.
  - Refresh of the Corporate Plan annually
  - Annual service planning.
- The Council's Corporate Transformation Plan to modernise and transform the council to meet the longer term challenges and ensure sustainable provision of services.
- There is public and stakeholder engagement.
- Council has passed a motion on tackling the climate emergency and has set a target and means to achieve net zero carbon emissions by 2030, including expanding our fleet of green vehicles, increasing tree cover, installing solar panels and improving energy efficiency.

## Principle D

**Determining the interventions necessary to optimise the achievement of the intended outcomes**

### Sub Principles:

**Determining interventions**

**Planning interventions**

**Optimising achievement of intended outcomes**

### How we do this:

- The Council ensures that decision makers receive objective and rigorous analysis of options with intended outcomes and risks by:
  - written reports from Officers;
  - report clearance by legal, finance and Access to Services officers;
  - embedding of impact assessment in decision making process;
  - clear option appraisals reflected in reports detailing impact, risk and any best value considerations.
- The results of consultation exercises are fully considered by decision makers with consultation responses set out in report.
- Consultation on budget proposals is extensive and includes roadshows with staff.
- The Council has a Corporate Risk Management Policy.

- The Council has established robust planning and control cycles covering strategic and operational plans, priorities and targets which is achieved through:
  - A timetable for producing and reviewing plans on an annual basis.
  - Working with a consultation and engagement strategy.
  - Quarterly and annual performance monitoring including achievement of national and local performance indicators.
- There is robust Medium Term Financial Planning.
- There is an Annual budget setting process in place including an extensive consultation exercise.

- The Council ensures the Medium Term Financial Strategy integrates and balances service priorities, affordability and other resource constraints by setting out any shortfall in resources and spending requirements in the context of service priorities.
- To ensure that the budget process is all inclusive there is regular engagement with members with robust scrutiny by Scrutiny Performance Panel.
- Corporate Transformation Plan.
- The Council ensures the achievement of “social value” through the effective commissioning of service in compliance with CPR’s e.g. Beyond Bricks and Mortar (community benefit clauses in council contracts).

Principle E

Developing the entity’s capacity, including the capability of its leadership and the individuals within it.

Sub Principles:

Developing the entity’s capacity

Developing the capability of the entity’s leadership and other individuals

How we do this:

- The Council aims to ensure that Members and Officers have the right skills, knowledge and mind set to operate efficiently and effectively to achieve intended outcomes by:
  - adopting a comprehensive induction training programme for members and officers;
  - a Councillor Training Programme based on a Training Needs Assessment;
  - annual performance review of staff;
  - adoption of a mentoring scheme.
- Operational capacity is supported by the Transformation & Financial Resilience Council objective to help tackle rising demand and reducing revenue budget.
- The Organisational Development Strategy aims to develop the right staff with the right skills to work in a sustainable way.
- There is engagement with benchmarking groups such as APSE, CIPFA.
- There is collaborative and partnership working including the Public Service Board, Regional Partnership Board, Partneriaeth.

- Effective shared leadership and understanding of roles and objectives is supported by:
  - The Leader and Chief Executive have clearly defined leadership roles.
  - The Chief Executive Appraisal and Remuneration Committee have responsibility for the appraisal of the Chief Executive.
  - There has been member led training with both senior officers and cabinet members.
  - There has been a Scrutiny Training & Development Programme, delivered by the WLGA.
  - There are regular 1-2-1 meetings with the Leader, Cabinet members, Chief Ex, CMT and Heads of Service.
  - The Transformation and Future Council objective and the Organisational Development Strategy.
- The Constitution sets out the Scheme of Delegation which is regularly reviewed.
- Annual appraisal and performance review.



## Principle F

### Managing risks and performance through robust internal control and strong public financial management

#### Sub Principles:

#### Managing risk

##### How we do this:

- Risk management is an integral part of decision making supported by:
- A Corporate Risk Management Policy with clear nominated officer responsibility.
- A risk register application.
- Monthly review of risks by CMT.
- Monthly review of Directorate Risks at PFM meetings.
- The publication of Corporate Risks allowing greater scrutiny.
- The Governance & Audit Committee regular review of risks (see paras 8.34 & 9)

#### Managing performance

- There are quarterly performance monitoring reports to Cabinet.
- Each Head of Service produces an Annual Service Plan setting out clear objectives and SWOT analysis of their service.
- There are regular reports as to performance indicators and milestones against intended outcomes.
- There is robust scrutiny challenge through pre decision scrutiny, inquiries, performance monitoring and Call-In.
- Monthly Directorate Performance and Financial Monitoring meetings.

#### Robust internal control

- CIA provides independent assurance on the adequacy of internal control through the IA plan approved by the Governance & Audit Committee.
- The Governance and Audit Committee provides independent assurance of the adequacy of the risk management framework, the internal control environment and the performance assessment of the Council.
- The Council is dedicated to tackling fraud and corruption and has an Anti-Fraud and Corruption Policy and Whistleblowing Policy
- The Governance & Audit Committee receives an annual report on the fraud function and Anti-Fraud Plan.
- The Internal Audit Plan is approved by Governance & Audit Committee.

#### Managing data

- The Council demonstrates effective safeguarding of personal data and information by:
  - The appointment of a Data Protection Officer.
  - The adoption of a Data Protection Policy.
  - An Information Governance Unit and Senior Information Risk Officer.
  - An information asset register
  - The Council is signed up to the Wales Accord for Sharing Personal Information (WASPI).
  - Data Protection training is mandatory.

#### Strong public financial management

- The Council ensures both long term achievement of outcomes and short term performance through the delivery of the Medium Term Financial Plan.
- Financial management is integrated at all levels of planning and control by:
  - financial implications are included in all decision making reports;
  - there is a specific Corporate risk around Financial Control and MTFP owned by the S151 officer.

## Principle G

**Implementing good practices in transparency, reporting and audit to deliver effective accountability**

### Sub Principles:

**Implementing good practice in transparency**

**Implementing good practices in reporting**

**Assurance and effective accountability**

### How we do this

- The Council aims to present understandable and transparent reports for both stakeholders and the public which is supported by:-
  - A Report Authors Protocol which ensures consistency in reports.
  - A Clear Writing guide for Officers.
  - All reports are signed off by Cabinet Member, legal, finance and Access to Services officers.
  - The Council has a Publication Scheme which is available on the website.
  - Where possible exempt reports are split so that the main report can be heard in public with confidential information being a separate exempt report.
  - Publication of delegated decisions.
  - Reports are published on the website and agendas are published in the Welsh Language.

- The Council reports at least annually on performance as evidenced by:
  - Quarterly and annual reports to Cabinet on performance.
  - An annual Review of Performance report setting out how the Council has performed in meeting its Corporate Objectives and the performance duty.
  - The Annual Statement of Accounts audited by external auditor and approved by Council and published demonstrates how the Council has achieved performance, value for money and the stewardship of resources.
- Senior Managers complete Self-Assessment & Management Assurance Statements (SMAS) reflecting performance against governance, risk management and internal control. The SMAS contribute to the Annual Governance Statement.
- The Council have adopted the Code of Corporate Governance based on CIPFA framework.

- Through the assurance mechanisms set out below the Council can demonstrate effective accountability:
- The Internal Audit work plan provides assurance on the council's control mechanisms, risk management and governance arrangements which is monitored by the Governance & Audit Committee.
- All agreed actions from Internal Audit reviews are monitored.
- Reports and plans to implement Audit Wales, Estyn, CiW and Internal Audit recommendations reported (as relevant) to Scrutiny and Governance & Audit Committee.
- Peer Review and inspection from regulatory bodies and external compliance reviews which are reported to CMT/Cabinet and used to improve service delivery.
- Monitoring internal and external reviews providing assurance, strengthening governance.
- Assurance on risks associated with delivery of services through third parties is achieved by:
  - Commissioning and monitoring arrangements and compliance with Contract Procedure Rules.
  - SMAS reflect risk assessments in relation to partnership/third party working.

Internal Assurance

External Assurance

Annual Governance Statement

Council/  
Cabinet/  
Committee

Internal Audit

External audit

External Regulators/  
Inspections

Monitoring  
officer/S151  
officer

Statutory  
Inspections

CMT -SMAS

Governance &  
Audit  
Committee

Scrutiny

Page 193

### 4. Review of Effectiveness

- 4.1 The City and County of Swansea annually reviews the effectiveness of its governance framework including the system of internal control.
- (a) Statements from Corporate Management Team (CMT), Statutory Officers, the Internal Audit Manager and the Governance and Audit Committee.
  - (b) External organisations i.e. Audit Wales and regulators.
  - (c) Core evidence mapped to Council, Cabinet and Committees.
- 4.2 The following highlights the review of the governance framework in order to compile the Annual Governance Statement and sets out the assurance of CMT, officers and external organisations.

### **INTERNAL SOURCES OF ASSURANCE**

### 5. Corporate Management Team/SMAS

- 5.1 The Senior Management Assurance Statements (SMAS) form part of the governance assessment framework. Through the SMAS each Director responds to 15 good governance statements covering:
- Risk Management.
  - Partnership/Collaboration governance.
  - Compliance with Policies/Rules/Legal & Regulatory requirements.
  - Programme and Project Assurance.
  - Budget Monitoring.
  - Planning and Decision Making.
  - Internal Control Environment.
  - Fraud & Financial Impropriety.
  - Performance Measurement & Management.
- 5.2 The Directors assess assurance using a 5-point maturity scale for their areas of responsibility ranging from “Not in place” to “Embedded”. Directors are expected to consult with their Heads of Service to support a directorate approach to each statement.
- 5.3 The assurance statements showed overall in 2023/24 that there were no categories that were deemed as being “Not in place” and 2 (3%) with “Limited Application” (Performance Reviews and Data Security). A small number 8 (11%) of categories were regarded as showing “Mixed Application”. These categories were: Compliance (3), Compliance Improvement (2); Future Generations & Equality (1); and Performance Reviews (2) These will be captured in the significant governance risks for 2023/24 where relevant. However, 42 (56%) demonstrated “Strong Application” and 23 (31%) were described as “Embedded”.

5.4 The Council established an Strategic Governance Group for the purpose of challenging the SMASs and assisting and overseeing the development of the Annual Governance Statement. The Group is chaired by the Interim Director of Corporate Services and members include the Council's Section 151 Officer and Monitoring Officer, as well as the Strategic Delivery & Performance Manager and a member of the Governance & Audit Committee. The Chief Internal Auditor attends in an advisory capacity. The Strategic Governance Group met on 28<sup>th</sup> February 2024 to review the draft SMAS submitted by each Director. The Strategic Governance Group reviewed the revised SMAS and the draft Annual Governance Statement on 17<sup>th</sup> April 2024. The Significant Governance Issues for 2024/25 as identified by the Strategic Governance Group after reviewing the draft Annual Governance Statement are those set out below.

### **6. The Monitoring Officer**

6.1 The Chief Legal Officer is the Monitoring Officer with a specific duty to ensure that the Council, Officers and Members maintain the highest ethical standards of conduct. The Standards Committee has the responsibility for monitoring the ethical standards of conduct and to deal with any breaches of the Code referred to the Committee by the Public Service Ombudsman (PSOW).

6.2 During 2023/2024 the Monitoring Officer was notified of 9 complaints relating to members conduct by the PSOW. The PSOW decided not to investigate all 9 of those complaints. In relation to complaints reported to the PSOW the Committee receive regular updates as to the status of complaints. Regular PSOW bulletins are circulated to all councillors as to Code of Conduct issues when issued.

6.3 The Local Government and Election (Wales) Act 2021 brought in new duties for Standards Committees and Group Leaders in Wales from May 2022. The Committee considered changes to their Terms of Reference on 9 March 2022 so as to comply with the legislation. Council approved the changes to the terms of reference on 24 May 2022.

6.4 The Chair presented the Standards Committee Annual Report 2022/23 to Council on 21 March 2023. The Report reflected the Committee's view that generally the conduct of members was high.

6.5 In March 2024, the Standards Committee interviewed the Leaders of the Opposition Groups. The discussion with group leaders focused on their new duties under the legislation and how they would meet that duty. The Monitoring Officer is therefore of the view that the Authority is in a good position to comply with the new legislative requirements.

6.6 The Monitoring Officer has not had to issue any statutory Section 5 Local Government and Housing Act 1989 reports during 2023/24.

- 6.7 Members and co-opted members are required to register their personal interests in any business of the authority and to comply with the rules set out in the Members Code of Conduct. Members must also comply with the rules around Gifts and Hospitality.
- 6.8 All staff are required to disclose any personal interests which actually or potentially conflict with their duties to the council and to register any secondary employment.
- 6.9 Significant amendments have been made to the Council Constitution during the period 2023/24. These include amendments to Public Questions, amendments to the Councillor/Councillor Dispute Resolution Protocol (building on the duty of Group Leaders to maintain the highest ethical standards within their group), amendments to the Officer/Councillor Relations Protocol, amendments to the Scheme of Delegation, the creation of a Petitions Committee and changes to the Terms of Reference of the Constitution Working Group. The Constitution will be further reviewed in 2024/25 and further changes progressed.

### 7. The S151 Officer

- 7.1 Quarterly **Financial Monitoring Reports** were presented to Cabinet throughout 2023/24. The third quarter report identified a net £1.507m of shortfall in service revenue budgets and an exceptional £15m equal pay provision. Offsetting actions were projected available to reduce the overspend to a residual £3.284m, which the S151 officer continued to strongly advise Cabinet had to be eliminated in full to avoid otherwise destabilising the 2024/25 budget round. Even if balancing back to budget, substantial draws from reserves and schools reserves was clearly inevitable and not sustainable longer term.
- 7.1.1 The current indication is that, for 2023/24, and for 2024/25 there needs to be continued targeted mitigating action and delivery of savings proposals to help reduce the overall overspend or likely future overspends. It looks inevitable major some significant draws from contingency and earmarked reserves will be needed to achieve a fully balanced budget for the year but this was somewhat anticipated throughout the year. Any inroads to net spending will reduce the necessary draw from reserves and preserve the amount of reserves available to carry into 2024/25 and the anticipated need for a repeat of the mitigation strategy given our biggest cost driver, local government and teacher pay, remains far from resolved, agreed or fully funded, once again.
- 7.2 A verbal **Mid Term Budget Statement 2023/24** was presented to Council in December 2023 given the substantially delayed settlement. The written report on the **Review of Reserves** was presented to Council on 07/12/2023, which provided a strategic and focused assessment of the current year's financial performance and an update on strategic planning assumptions over the next 3 financial years.



- 7.2.1 The conclusion of the Statement was that the Council could potentially struggle to deliver within the overall resources identified to support the budget in 2023/24 and beyond unless the local government settlement was continued to be permanently much enhanced and preferably routinely multi-year. Neither continued to materialise regrettably, the settlement being held at an average of just over 3%, one off, and the outlook worsening. The likely projected outturn was dependent upon the ability of the Council to reduce and restrict ongoing expenditure across all areas, its continued reliance on active capital financing strategies to maximise the short-term savings to enable the capital equalisation reserve to be bolstered for the medium to long-term recognising the major future capital commitments already irrevocably made by Council decisions on the size of the capital programme and associated borrowing.
- 7.2.2 The Revenue and Capital Budgets were approved by Council on 06/03/24. They continued to set out an ongoing ambitious programme of approved capital spending plans and future capital spending plans (partly financed by the Swansea Bay City Deal but predominantly by unsupported borrowing now fully externalised at fixed rates for up to 50 years de-risking general fund exposure to future interest rate movements) which would require modest budget savings to be delivered to help facilitate that major capital investment and economic regeneration stimulus. Future capital spending plans of up to a further £50m are nominal only at present and require financing from capital borrowing and revenue headroom to be yet created with only a temporary and interim reserve funding solution. These plans are likely to still be affected by ongoing ripple effects of COVID-19 and much wider economic aftershocks. It remains entirely unclear as to the scale of additional spending, the loss of income, and the funding arrangements for reimbursement in part, or in full, that the Authority faces in responding both locally, with partners, and supporting the national strategic response to COVID-19 and the economic outlook.
- 7.2.3 The impact will be very financially material on the delayed 2023/24 accounts but the prioritisation of the response to COVID-19 and wider economic crises may have impaired our ability to fully prepare the accounts to our normally exceptionally high standards (and timeliness) in line with accounting standards. Any necessary deviation caused will be disclosed separately throughout these accounts.
- 7.3 The **Medium-Term Financial Plan 2025/26 – 2027/28** was approved by Council on 06/03/2024. The Plan outlined the range of options around funding faced by the Council over the period, the key reliance on the scale and value of future local government finance settlements and the strategy to be adopted to address the various scenarios as well as the inherent risks to the success of the adopted strategy.
- 7.3.1 All spending and funding assumptions were set in a challenging outlook for public. Whilst the Authority will consider future spending plans in line with projected funding announcements there is no indication at present that any of

the assets of the Authority may be impaired as a result of a need to close facilities and reduce the level of service provision.

- 7.4 Each Corporate Director held monthly **Performance and Financial Monitoring** meetings where Chief Officers and Heads of Service reported on progress in terms of continuous improvement and budgets.
- 7.5 **Audit Wales Annual Audit Summary 2023.** Audit Wales provided their opinion on the financial statements which was an unqualified opinion. Their report outlined their continuing challenges in delivering the audit within their original timetable and deadlines resulting in the accounts not being formally presented for audit until October 2023. Overall, Audit Wales said that the quality of the draft statements presented for audit was generally good.
- 7.5.1 Audit Wales reviewed the arrangements the Council has put in place to secure value for money in the use of its resources. Their work was focussed on the Council's arrangements for setting its well-being objectives and service user perspectives and outcomes on the use of performance information. The outcome from the work on setting well-being objectives was reported to the Service Improvement, Regeneration and Finance scrutiny panel on 17th October 2023 and Governance & Audit Committee on 6<sup>th</sup> December 2023. The report on the use of performance information will be reported to the scrutiny panel and Governance and Audit Committee in the 2024/25 municipal year. Audit Wales also carried out studies on the progress the Council is making around its Transformation Programme, on the Council's Digital Strategy and on the Council's arrangements for managing its workforce and assets. The outcome from this work was reported to the Service Improvement, Regeneration and Finance scrutiny panel and Governance & Audit Committee during 2023/24, except for the work on assets; this will be reported in the 2024/25 municipal year.
- 7.6 The Council is the Administering Authority for the City and County of Swansea Pension Fund (the Pension Fund) and Swansea Bay Port Health Authority (SBPHA). The governance arrangements detailed in this Annual Governance Statement apply equally to the Council's responsibilities to the Pension Fund and SBPHA. There are further specific requirements for the Pension Fund which are to produce:
- Investment Strategy Statement.
  - Governance Compliance Statement
  - Internal Dispute Resolution Process.
  - Funding Strategy Statement.
  - Administration Strategy Statement.
  - A full actuarial valuation to be carried out every third year.
  - Communications Strategy Statement.
- 7.6.1 In 2023/24, the SBPHA continued to operate its revised model of service delivery.



### 8. Chief Auditors Opinion

- 8.1 Systems of internal control are designed to help the Council manage and control the risks which could affect the achievement of the Council's objectives. However, it is not possible to eliminate all risks completely.
- 8.2 As a result, Internal Audit can only provide 'reasonable' assurance that the systems of internal control within the areas of the Council reviewed are operating adequately and effectively.
- 8.3 The Internal Audit Section awards an assurance level for all audits undertaken. The basis used for each level of assurance is shown in Appendix 6.
- 8.4 The table below provides a summary of the assurance levels awarded to the audits completed in 2023/24:

| Audit Assurance Results 2023/24  |        |    |
|----------------------------------|--------|----|
| Total Number of Audits Finalised | 62     |    |
| Assurance Level                  | Number | %  |
| High Assurance                   | 26     | 42 |
| Substantial Assurance            | 30     | 48 |
| Moderate Assurance               | 5      | 8  |
| Limited Assurance                | 1      | 2  |

- 8.5 As can be seen in the table above, the outcome of 56 of the 62 audits completed (90%) was positive with the audits being awarded either a High or Substantial assurance level.
- 8.6 Five audits received a Moderate level of assurance in the year. A summary of the key issues that resulted in the Moderate assurance level being awarded were presented to the Governance & Audit Committee as part of the Chief Auditor's Quarterly Monitoring Reports, together with the outcome of the follow-up reviews undertaken to assure the Committee that action has been taken by management to address the issues identified. One audit received a Limited level of assurance.
- 8.7 In total there are 14 audits which are classed as Fundamental audits. The Fundamental audits are the core financial systems that are considered to be so significant to the achievement of the Council's objectives that they are audited either annually or bi-annually. Following the audits completed in 2023/24, 10 of the 14 Fundamental audits were awarded a High level of assurance and 3 were awarded a Substantial level of assurance (Accounts Payable, Business Rates and Employee Services).

- 8.8 The Accounts Receivable Fundamental audit was awarded a Limited assurance level in 2023/24. This audit as has received a Moderate level of assurance in the previous five financial years. The Governance & Audit Committee has received several updates from the relevant managers within the service in relation to the work that is ongoing to address the issues that have been identified. The Committee will continue to receive updates on this during 2024/25 as required.
- 8.9 It is disappointing that the Accounts Receivable audit received a Limited assurance level in 2023/24, which indicates a worsening performance from the previous Moderate assurance level awarded. As detailed in previous updates to the Governance & Audit Committee from the service management, the reasons for the weaknesses identified in this audit have primarily been caused by a reduction in staff resource. However, our most recent audit also revealed that the introduction of the new Fusion financial system had resulted in an increase in the amount of manual 'workarounds' that the team have had to introduce to maintain business as usual. This has resulted in an increase in workload and reduced efficiency within the service. As noted in previous annual reports, continuity, and maintenance of core grip with changing, and often diminishing resources is recognised as a clear challenge across the Council, and this continued to be the case in 2023/24.
- 8.10 Despite this, and as stated previously it should be noted that of the 14 Fundamental audits, 10 have been awarded a High assurance level and 3 have been awarded a Substantial assurance level at the time of completion of the last audit. In addition, the results of the work undertaken in 2023/24 shows that 90% of all audits completed in year were awarded either a High or Substantial assurance level. This provides reasonable assurance that the systems of internal control are operating effectively across the Council.
- 8.11 The Internal Audit Team has continued to operate in a very challenging environment throughout 2023/24. Approximately 360 days were lost to sickness absence and vacancies. However, I wish to express my gratitude the Internal Audit Team who have worked tirelessly throughout the year to complete as much of the audit plan as possible.
- 8.12 The Audit Plan for 2023/24 contained 116 separate audit activities. As at 31 March 2024, 89 audit activities (77%) had been completed, with three additional activities (2%) substantially complete with a draft report issued. As a result, 92 activities had been completed to at least draft report stage (79%). An additional 12 activities were in progress at year end (10%). As a result, approximately 89% of the audit activities included in the 2023/24 Audit Plan had either completed or were in progress at year end. This is a very positive result given the resources available in the Team during the year. It is also pleasing to note the overall positive outcomes of the work that has been completed in year as highlighted above.

- 8.13 Throughout the year, a significant amount of effort has continued to be directed at further strengthening the systems of risk management across the Council. The Governance & Audit Committee has received regular update reports from the Strategic Delivery & Performance Manager outlining the status of risks from the Corporate Risk Register. The Corporate Management Team and Risk Owners have also reviewed the risk register entries regularly throughout the year to ensure the registers are up to date. The new Risk Management System has also been further embedded in the year which has continued to improve the monitoring and control of risks. The Director of Corporate Services has advised the Committee that a new Risk Management System is due to be implemented in 2024/25 in conjunction with a refreshed Risk Management Policy. Progress update reports from the Strategic Delivery & Performance Manager will continue to be received by the Governance & Audit Committee throughout 2024/25 to ensure appropriate scrutiny of the risk management arrangements continues going forward.
- 8.14 At the time of writing this opinion, it is unclear as to the scale of additional spending the Council faces, from persistent relatively high service inflation across revenue and capital and demands on our services whilst also still in the midst of a cost-of-living crisis. The Director of Finance & Section 151 Officer has advised that his view is that there is adequate assurance of sufficient budget cover for 2024/25, but the future budget outlook remains extremely challenging in real terms.
- 8.15 As noted previously in the report, five moderate and one limited audit report were issued in the year. The agreed actions for these reports will be monitored to further strengthen governance. This is comparable to 2022/23 where six moderate audit reports were issued. With the Council continuing with its fundamental transformation programme and the implementation of the new Fusion system, coupled with ongoing resource and capacity issues across departments, some deterioration of governance and management controls is to be expected in pockets of the organisation. However overall, the work undertaken by the Internal Audit Team in the year did not uncover any significant concerns in relation to governance and overall management control across the areas of the Council that were subject to internal audit review that would materially weaken the Chief Auditor's overall opinion. It should also be noted that there are robust follow-up procedures in place to monitor the implementation of the recommendations made in internal audit reports, with Governance & Audit Committee oversight.
- 8.16 Given the completion rate of the 2023/24 Audit Plan noted previously, and the fact that the Internal Audit Team has completed all but one of the planned Fundamental audits in year, in addition to completing all but one of the planned tier one cross cutting reviews, the Chief Auditor feels that no impairment to the Chief Auditor's opinion is required. Assurance can be provided across a range of Council services as a result of the audits completed and other assurance work undertaken in the year.

- 8.17 In addition, for the reasons set out previously, the Chief Auditor is of the opinion that governance and risk management arrangements across the Council have proven to be robust and effective throughout 2023/24.
- 8.18 However, it should be highlighted that the Council continues to face several operational challenges following the decommissioning of the Oracle R12 system and the implementation of the new Oracle Fusion system. As noted following the Accounts Receivable audit in 2023/24, Officers in a range of services are currently having to implement manual workarounds to continue business as usual, which is reducing efficiency. The Director of Corporate Services assured the Governance & Audit Committee in March that the relevant Officers are working closely with the third-party IT Consultants to implement customised processes within Fusion so that the manual workarounds would no longer be required.
- 8.19 In addition, following implementation of the Fusion system the Council has experienced a number of technical issues in relation to the integration of some existing systems with Fusion. The Corporate Management Team has appropriately identified this as a risk and as such this has been captured and documented on the Corporate Risk Register.
- 8.20 The Council's External Auditors, Audit Wales, are due to commence a review of the implementation of the Fusion system and any ongoing system issues that are being experienced. It is envisaged that a summary of the outcome of the review will be provided to the Governance & Audit Committee in due course. At this point, it is not possible to fully evaluate the full impact of the operational and technical issues arising across the organisation following the Fusion system roll-out.

8.21

### **Chief Auditors Opinion for 2023/24**

Based on the programme of audit work undertaken in 2023/24, the Chief Auditor's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and internal control is effective with no significant weaknesses identified in 2023/24 which would have a material impact on the Council's financial affairs or the achievement of its objectives.

However, the Council is aware that the implementation of the Oracle Fusion System has resulted in a number of operational and technical issues, which has required manual workarounds to be implemented in some services to allow business to continue as usual. The manual workarounds pose a potential risk to council operations and controls, the extent to which is currently undetermined. It is envisaged that as the Council works closely with the software provider to implement solutions to the issues identified, the need for such manual workarounds will diminish in 2024/25.

### 9. The Governance & Audit Committee

- 9.1 On 14th June 2023 the Governance & Audit Committee considered the election of Chair for 2023/24 Municipal Year where it was resolved that Paula O'Connor be elected Chair. At the same meeting Councillor P R Hood-Williams was elected Vice-Chair for the 2023/24 Municipal Year.
- 9.2 At the July 2023 meeting Committee were informed that Mr Phil Sharman, Lay Member, had submitted his resignation. The Committee recognised the work and value that Mr Sharman had given and wished him well for the future. The Committee were also informed that the Council would reconsider the membership of the Governance and Audit Committee with the option of reducing the membership from 15 to 12 members thus maintaining the one third two third requirements of the Local Government and Election (Wales) Act. This was agreed by Council on 7th September 2023.
- 9.3 In addition, Cllr Lesley Walton was elected by the Governance & Audit Committee to be the Representative on the Council's Strategic Governance Group. This Group ensures that the Annual Governance Statement is complete and accurate and is in harmony with the work of the Governance & Audit Committee. The draft Annual Governance Statement will be presented together with this Annual Report of the Governance & Audit Committee at a future meeting early in 2024-2025.
- 9.4 The Local Government and Election (Wales) Act requires careful co-ordination between Governance & Audit Committee and the Scrutiny Committee. To aide this, the Work Programme of both Committees are appended to every meeting of the Governance & Audit Committee. Also, a number of Elected Members are members of both Committees.
- 9.5 The Chair also attends Scrutiny Work Planning Committee (13th June 2023) and will be attending Scrutiny Planning Committee in May 2024 to discuss the Governance & Audit Committee work and Annual report.
- 9.6 Similarly, arrangements are in place to ensure that the Council's Performance Annual Report is brought to the attention of the Governance & Audit Committee. The Committee considered the draft 2022-23 Annual Report at its meeting on 13 September 2023 following scrutiny by the Service Improvement, Regeneration and Finance Scrutiny Panel early in September 2023.
- 9.7 A formal Training Programme was agreed to ensure the Committee Members understand their roles and responsibilities. The Committee's Training Programme includes Performance Management and the refreshed Risk Management Framework. This also provides a clear understanding of the roles of the Committee and its relationship with Performance and Scrutiny.

- 9.8 The Chair of the Governance & Audit Committee thanks all Elected Members of the Committee and Lay Members for serving on the Committee. All meetings have been well attended and all members have been fully engaged to ensure the Committee remains as effective as possible. The Chair also thank Officers who have professionally supported the work of the Committee with appropriate information.
- 9.9 Looking forward to 2024-25 it is anticipated that the challenges facing the Council, public services as well as the Community will be significant. The importance of assurance and challenge will remain critical as the Committee discharges its responsibilities.
- 9.10 In October 2023 the Chair attended the All-Wales Chairs Network to ensure the greatest benefit of sharing knowledge and good practice is gained. In May 2024 the Chair will also be attending an Audit Wales Seminar where further insight will be gained in ensuring effective and efficient Governance & Audit Committees.

### **EXTERNAL SOURCES OF ASSURANCE**

#### **10. External Auditors**

- 10.1 Audit Wales provided their opinion on the financial statements which was an unqualified opinion. Their report outlined their continuing challenges in delivering the audit within their original timetable and deadlines resulting in the accounts not being formally approved until October 2023. Their report concluded that the quality of the draft statements presented for audit was generally good. The Auditor General gave an unqualified true and fair opinion on the Authority's financial statements on 25 March 2024.
- 10.2 Audit Wales reviewed the arrangements the Council has put in place to secure value for money in the use of its resources. Their work was focussed on the Council's arrangements for setting its well-being objectives and service user perspectives and outcomes on the use of performance information. The outcome from the work on setting well-being objectives was reported to the Service Improvement, Regeneration and Finance scrutiny panel on 17th October 2023 and Governance & Audit Committee on 6<sup>th</sup> December 2023. The report on the use of performance information will be reported to the scrutiny panel and Governance and Audit Committee in the 2024/25 municipal year. Audit Wales also carried out studies on the progress the Council is making around its Transformation Programme, on the Council's Digital Strategy and on the Council's arrangements for managing its workforce and assets. The outcome from this work was reported to the Service Improvement, Regeneration and Finance scrutiny panel and Governance & Audit Committee during 2023/24, except for the work on assets; this will be reported in the 2024/25 municipal year.
- 10.3 Audit Wales on behalf of the Auditor General for Wales presented the **Audit of Financial Statements Report 2022/23** to Governance & Audit Committee



on 14/3/24 and to Council on 21/3/24. The report highlighted any significant issues to those charged with governance that needed to be considered prior to the approval of the financial statements. The Auditor General issued an unqualified audit report for the financial statements. The report concluded that the financial statements for the City & County of Swansea and the City and County of Swansea Pension Fund, (which was previously presented and approved separately to the Pension Fund Committee on the 15/11/23), gave a true and fair view of the financial position of the Council and the Pension Fund 2022/23 had been properly prepared.

### **11. Statutory external inspections/regulators**

- 11.1 The Council was subject to several external inspections by regulators during 2023/24. These are summarised in some detail in Appendix A.

### **CORE EVIDENCE**

#### **12. Council & Cabinet**

- 12.1 The following provide assurance based on reports covering 2023/24. In some instances, reports from 2022/23 are reflected in the Annual Governance Statement as the reports for 2023/24 are not yet available.
- 12.2 A new 5-year Corporate Plan for 2023/28 was adopted at Council on 30<sup>th</sup> March 2023. The Corporate Plan sets out the Council's values and principles underpinning the delivery of its six well-being objectives and sets out how the Council will monitor progress through quarterly and annual performance monitoring reports and the Annual Review of Performance, which is the Council's annual self-assessment and well-being report. Council approved on 21<sup>st</sup> March 2024 following an annual review that that the Council's well-being objectives remain unchanged for 2024/25.
- 12.3 Performance on delivery of the Council's well-being objectives is monitored quarterly by Cabinet. The reports contain outturn compliance with performance indicators and an overview of performance for each Objective provided by Directors/Heads of Service. The End of Year Performance Monitoring Report for 2022/23 was presented to Cabinet on 20<sup>th</sup> July 2023. The report showed that 56.4% of comparable indicators showed improvement or stayed the same compared to the previous year and 69.4% met or bettered their targets.
- 12.4 The Annual Review of Performance 2022/23 was approved at Council on 9th November 2023. The Annual Review of Performance 2022/23 meets the statutory requirements to publish an annual self-assessment report and annual well-being report under Part 6 of the Local Government & Elections Act (Wales) 2021 and Well-being of Future Generations (Wales) Act 2015 respectively. The report showed the results of each performance measure for the 6 well-being objectives set out in the Corporate Plan. The results showed that the Council made strong progress delivering its functions and making

effective use of its resources and that there were strong prospects for improvement for four of the Councils six well-being objectives, although mixed prospects for the Safeguarding People from Harm and Transformation & Future Council objectives.

12.4.1 The Service Improvement, Regeneration and Finance Scrutiny Performance Panel and the Governance & Audit Committee met to discuss the Annual Review of Performance 2022/23 on 5th September 2023 and 13th September 2023 respectively. The following proposals for improvement that the Governance & Audit Committee identified were fully implemented in the 2022/23 Review:

- Reviewed the methods and methodologies for assessment in parts 1, 2 and 3 of the Review.
- Linked the performance and risk assessments for 2022/23.
- Recognised and made improvements within the report around stronger analysis. This will be addressed as an ongoing area for improvement.
- Improved the correlation between parts 1, 2 and 3 of the Review, ensuring that the different parts of the assessment are congruent and there is some cross-over between them, although with differing emphasis.
- Improved the links between consultation engagement / stakeholder reference.

12.5 The Annual Complaints Report 2022-23 was presented to the Governance & Audit Committee on the 28<sup>th</sup> February, Corporate Briefing on the 6<sup>th</sup> March, Child & Family / Adult Services Scrutiny Performance Panel on the 12<sup>th</sup> March, and Scrutiny Programme Committee on the 19<sup>th</sup> March. In addition, the Ombudsman's annual report was presented to Cabinet on the 19<sup>th</sup> October and Governance & Audit Committee on the 25<sup>th</sup> October. The Annual Complaints Report reflects the continued emphasis on prompt resolution of complaints and includes compliments about services. Some Ombudsman complaints can carry across different financial years. 99 Ombudsman complaints were closed in 2022-23, of the 99 complaints received and closed, only ten complaints required intervention. All of these reached an early resolution / voluntary settlement and these related to:

- Eight Corporate Complaints including: the Contact Centre (1), Housing Repairs (4), Rats (1), Council tax (1), and Housing (1)
- Two Social Services including: Child and Family (1), Adult Services (1).

12.5.1 There were no s16 Public Interest reports during the year.

12.6 The Governance & Audit Committee Annual Report 2022/23 was presented to Council on 7 September 2023 and outlined the assurance the Committee had gained over control, risk management and governance from various sources over the course of 2022/23. In particular, the report highlighted the work that had been undertaken throughout the year in line with the Committee's terms of reference.



- 12.7 The Annual Equality Review 2022/23 was reported to Cabinet on 18<sup>th</sup> January 2024, which highlighted progress against the Council's Strategic Equality Objectives. The report concluded that good progress had been made in the delivering of the Strategic Equality Objectives and the Strategic Equality Plan. The Strategic Equalities and Future Generations Board continued to provide strategic direction and oversee the implementation of the plan. The report outlined a summary of some of the successes and their impact and some of the challenges that need to be addressed in the year ahead.
- 12.8 The Council continued to promote the Welsh Language in 2023-24 and sought to strengthen its compliance with the Welsh Language Standards across the five categories. The introduction of the new Oracle Fusion system facilitated an increase in the number of employees reporting to have some Welsh language skills. A review has been undertaken of the Council's Staffnet and website pages to ensure the content is compliant and we have monitored our Integrated Impact Assessment compliance. We have translated all relevant staff policies and reviewed HR correspondence templates to ensure compliance with the standards. In 2023-24 the Council's first Welsh Language strategy was also reviewed and work began on a new Welsh Language Promotion Strategy. The 2023-24 Welsh Language Annual Report will be published before 30 June 2024 in line with the Welsh Language Standards.
- 12.9 There were a number of key reports presented to Cabinet/Council during 2023/24 including reports relating to Successful and Sustainable Swansea Corporate Transformation Plan, Vulnerable Learners Service Inclusion Strategy, Swansea Destination Management Plan 2023-2026, Co-production Policy amongst others.
- 12.10 In April 2023 the Cabinet approved the Successful and Sustainable Swansea Corporate Transformation Plan. The Plan outlines twelve distinct transformation programmes as shown in the diagram below.



12.10.1 The twelve programmes represent the most important and significant changes that the council needs to make over the next five years and include service specific transformation, such as a future waste strategy, as well as several cross-cutting programmes, like digital transformation, that will impact all areas of the council's business. While the twelve programmes are distinct, they are all inter-related and bringing them together in a single plan will ensure we make the most of the connections between them. Having a clearly articulated transformation plan is helping to maintain an overview and focus on the most critical elements of the corporate plan.

12.10.2 Each programme has formal governance arrangements in place with Cabinet Member oversight, a Director level sponsor and the relevant Head of Service leading the operational delivery. Delivery of the plan is overseen by a Transformation Delivery Board. A Cabinet / CMT Transformation Board provides the strategic direction and oversight and agrees any changes to it over time, A formal progress report is also provided to Cabinet annually.

## 13. Committees

13.1 The Council's Scrutiny function is carried out by a **Scrutiny Programme Committee**, which delivers an agreed programme of work through Committee meetings and through **Scrutiny Panels and Working Groups** established by

the Committee. Through this range of activity, Scrutiny councillors make sure the work of the Council is accountable and transparent, effective and efficient, and help the Council to achieve its objectives and drive improvement, by questioning and providing challenge to decision-makers on issues of concern. This covers a wide range of policy, service and performance issues. The Committee is a group of 10 cross-party councillors who organise and manage what Scrutiny will look at each year, and develop a single work programme showing the various topics of focus and activities that will be carried out. The Committee has questioned Cabinet Members on specific portfolio responsibilities and is the statutory Committee for Scrutiny of Swansea Public Services Board and Crime & Disorder Scrutiny. It also co-ordinates pre-decision scrutiny enabling consideration of specific Cabinet reports and views being brought to the attention of Cabinet ahead of decision-making.

- 13.2 Over the last year the work of Scrutiny has included an in-depth Scrutiny inquiry examining the issue of Anti-Social Behaviour, with the key question: How can the Council ensure that it is working with its partners to appropriately and effectively tackle Anti-Social Behaviour in Swansea? In order to ensure ongoing monitoring and challenge to key service areas there have been regular meetings of Scrutiny Performance Panels, looking at Education, Adult Services, Child & Family Services, and Climate Change & Nature, as well as one looking at Service Improvement, Regeneration & Finance focusing on corporate performance and financial monitoring, budget scrutiny and the Council's development and regeneration activity. One-off Scrutiny Working Groups met to consider the following topics: Public Rights of Way and Customer Contact, and others are planned including a look at Community Growing. There has also been collaborative Scrutiny with other Local Authorities for topics / issues of shared interest or concern, and models of regional working: Partneriaeth, Swansea Bay City Region City Deal, and South West Wales Corporate Joint Committee. There are also clear processes in place for members of the public to raise issues for Scrutiny, or ask questions and contribute views on matters being discussed. A number of public requests were considered over the past year.
- 13.3 Views and recommendations from Scrutiny activities are communicated either by reports to Cabinet or letters sent directly to individual Cabinet Members, with responses provided as requested and followed up. The practice of writing 'Chair's letters' is a well-established way of communicating quickly with Cabinet Members, and letter and responses are monitored to ensure Scrutiny is getting a timely response.
- 13.4 The **Scrutiny Annual Report 2022/23** was presented to Council on 5<sup>th</sup> October 2023. The report reflected on the first year of the 2022/2027 Council term and work carried out, showing how Scrutiny has made a difference and supported continuous improvement for the Scrutiny function.
- 13.5 Although Scrutiny and Audit have distinctive roles, there are common aims in terms of good governance, improvement in performance and culture, and financial management, and so a regular conversation is held which helps to

ensure we are working together effectively. The Chair of the Scrutiny Programme Committee addressed the Governance & Audit Committee on this in October 2023 and the Committee also plans to hear from the Chair of the Governance & Audit Committee, at the Scrutiny Programme Committee in May 2024. This arrangement makes sure there is good awareness of each other's work, avoiding duplication and gaps in work programmes, and the ability to refer issues between Committees.

- 13.6 The **Standards Committee** met on 4 occasions during 2023/24 and the **Standards Committee Annual Report 2022/23** was presented to Council on 21 March 2024. The Committee is chaired by an independent person and is responsible for monitoring the ethical standards of the authority and maintaining the highest standards of conduct by elected councillors. The Committee has been updated as to their new duties under the Local Government and Elections (Wales) Act 2021 and has been consulted on both the statutory guidance in relation to the new duty and their new terms of reference. During 2023-2024 the Committee met with the 3 out of 4 of the political group leaders to discuss with them how they intend to discharge their new duties to ensure the highest ethical standards within their group. The Leader of the Council will meet with the Standards Committee in 2024-2054. Further informal discussions between the Group Leaders and the Standards Committee are ongoing.
- 13.7 The **Governance & Audit Committee** met on 9 occasions up to 10 April 2024, during the 2023/24 Municipal year and followed a structured work-plan, which covered all areas of the Committee's responsibilities with the aim of obtaining assurance over the areas included in its terms of reference. The membership of the Governance & Audit Committee at the start of the 2023/24 Municipal Year consisted of 5 Lay Members and 10 Non-Executive Councillors elected by Council. Lay Members are appointed for no more than two administrative terms with Council Members reappointed annually. The membership reduced to 4 Lay Members and 8 Non-Executive Councillors in September 2023. The Committee receive all Audit Wales reports once reported to Scrutiny Programme Committee. The Committee may decide to track or prioritise specific proposals or recommendations in addition to the oversight provided by Scrutiny. This arrangement provides additional assurance that the Council responds and puts in place action plans to address any recommendations. The Committee also receives quarterly updates on the overall status of risk within the Council to give assurance that the risk management process is being followed.
- 13.8 The **Pension Fund Committee** establishes and keeps under review policies to be applied by the Council in exercising its obligations duties and discretions as an administering Authority under the Local Government Pension Scheme (LGPS) Regulations and is the delegated decision making body in respect of the Council in respect of all strategic pension matters. The Committee is Chaired by a Councillor and membership consists of six elected Members, including the Chair, and two co-opted members representing other employers in the scheme and a member representative. The Committee met on 4

occasions during 2023/24, and dealt with all issues relating to investment matters, governance and administration of the Pension Fund as outlined in its terms of reference. The Chair of the Pension Fund Committee also represents the Council on the Joint Governance Committee (JGC) of the Wales Pension Partnership (WPP), a collaborative working arrangement between the 8 local government pension funds in Wales. The WPP JGC also met on 4 occasions during 2023/24 to provide governance oversight and approve recommendations on the investment management arrangements of WPP and the accompanying responsible investment, engagement and stewardship policies.

13.8.1 In addition, the Local Pension Board established in 2015 which operationally provides the scrutiny and oversight function for the City & County of Pension Fund met on 4 occasions during 2023/24. Membership comprises 3 employer representatives and 3 scheme member representatives, with an annually alternating chair.

13.9 The **Democratic Services Committee** reviews the adequacy of provision by the authority of staff, accommodation and other resources to discharge Democratic Services functions. The Committee is chaired by a Councillor and, along with the Chair, membership consists of thirteen Councillors. The Committee met three times during 2023/24 and considered the Democratic Services Annual Report 22/23, Guidance for Attending Remote Meetings, Councillors Annual Reports, reviewed Section C of the Councillors Handbook and the Councillor Development Strategy.

13.10 The purpose of the Service Transformation Committees (STCs) is to contribute to the ongoing development of the Council's agreed transformation activities (specifically in relation to the council's corporate plan, policy commitments, Corporate Transformation Plan, and Medium-Term Financial Plan) for consideration and adoption by Cabinet Members, Cabinet and / or Council as appropriate. STCs are aligned to the Council's function of developing policy and are linked to the corporate objectives. Both STCs and Scrutiny are open to all non-executive Councillors, in developing policy then reviewing its effectiveness.

13.11 The STCs are chaired by a Councillor and, along with the Chair, membership consists of twelve elected Members. There were five Committees meeting in 2023/24: listed here with examples of both completed work and that in progress:

**i) Climate Change & Nature Recovery Service Transformation Committee:**

- Developing a new Sustainable Transport Strategy (2050).
- Developing a new Renewable Energy Strategy (2050).
- Developing a new Swansea Council Sustainable Food Strategy (2030).
- Waste Strategy Development to Contribute to Swansea Achieving Net Zero & Nature Recovery (2050).
- Swansea Local Nature Recovery Action Plan (LNRAP).

- Section 6 Action Plan.
  - Swansea Council's contribution / commitment to Net Zero Swansea (2050).
  - Public EV Charging Policy (2050).
- ii) Economy & Infrastructure Service Transformation Committee:**
- Local Economic Delivery Plan.
  - Tawe Riverside Corridor Action Plan.
  - Swansea Bay Strategy Projects.
  - Maintenance of Road Infrastructure.
  - More Homes Delivery Programme.
  - Destination Management Plan.
  - Review of the Council's Housing Allocation Policy.
- iii) Education & Skills Service Transformation Committee:**
- Transforming Additional Learning Needs.
  - Right Schools in Right Places.
- iv) Social Care & Tackling Poverty Service Transformation Committee:**
- Safeguarding People from Harm Steps in the Corporate Plan 2023-2028.
  - Tackling Poverty and Enabling Communities Steps in the Corporate Plan 2023-2028.
  - Residential Service Development
  - Enabling and promoting independence - prevention and early Help.
  - Approach to enabling community resilience and self-reliance.
  - Development of a corporate Volunteering Strategy and Policy.
- ii) Corporate Services & Financial Resilience Service Transformation Committee:**
- Transformation and Financial Resilience Steps in the Corporate Plan 2023-2028.
  - Digital Transformation Programme.
  - Workforce and OD Transformation Programme.
  - Corporate Services MTFP savings proposals.
  - Policy Commitments relevant to Corporate Services & Financial Resilience.



## Annual Governance Statement 2023/24

### Significant Governance Issues

The following table identifies issues that had been identified in 2023/24 during the review of effectiveness, together with the proposed actions to be taken during 2024/25 to address the issues.

| <b>Significant Governance Issue linked to Framework</b> | <b>Action to be taken 2023/24</b>   | <b>Update</b>  | <b>Status</b>   | <b>Action to be taken 2024/25</b>   |
|---|---|--|---|---|
| The ability to recruit and retain the right staff.      | <ul style="list-style-type: none"> <li>• Workforce delivery groups lead and monitor actions and report through to the Workforce and OD Transformation Programme Board.</li> <li>• Implement the control measures to mitigate the Corporate risk on workforce recruitment and retention.</li> <li>• Help cater for effective demand management through robust service planning.</li> </ul> | <ul style="list-style-type: none"> <li>• Workforce and OD Transformation Board met monthly during 2023-24 and programme has a GREEN RAG status at time of reporting.</li> <li>• Corporate risk control measures implemented in line with agreed timelines.</li> <li>• Service plan template for 2024-25 include requirement to explain workforce planning priorities.</li> </ul> | <ul style="list-style-type: none"> <li>• In progress</li> </ul> | <ul style="list-style-type: none"> <li>• Workforce delivery groups lead and monitor actions and report through to the Workforce and OD Transformation Programme Board.</li> <li>• Implement the control measures to mitigate the Corporate risk on workforce recruitment and retention.</li> <li>• Help cater for effective demand management through robust service planning.</li> </ul> |
| Performance Reviews, i.e.                               | <ul style="list-style-type: none"> <li>• Launch 'Goals and Performance'</li> </ul>  | <ul style="list-style-type: none"> <li>• Commenced roll out the Oracle Fusion Goals and</li> </ul>   | <ul style="list-style-type: none"> <li>• In progress</li> </ul> | <ul style="list-style-type: none"> <li>• Continue roll out the Oracle Fusion Goals</li> </ul>   |

## Annual Governance Statement 2023/24

|  |  |  |  |  |
|--|--|--|--|--|
| <p>appraisals system / induction training not fit for purpose.</p> | <p>module in Oracle Fusion in April 2023 upon go-live of the full system.</p> <ul style="list-style-type: none"> <li>• Launch 'Learn' module in Oracle Fusion in April 2023 upon go-live of the full system; include a revised mandatory training offer for induction purposes.</li> <li>• Review mandatory training requirements to release frontline staff from some of the mandatory training; for example, Display Screen Equipment for staff that do not use a computer.</li> </ul> | <p>Performance module across Directorates.</p>   |  | <p>and Performance module across all Directorates.</p> <ul style="list-style-type: none"> <li>• Review Social Services bespoke needs as part of Oracle Fusion roll out.</li> </ul> |
| <p>Oracle Fusion Goals and Performance module roll-out.</p>        | <ul style="list-style-type: none"> <li>• Oracle Cloud going live April 2023.</li> <li>• Complete migration of corporate system to Azure.</li> </ul>  | <ul style="list-style-type: none"> <li>• Commenced roll out the Oracle Fusion Goals and Performance module across Directorates.</li> </ul> | <ul style="list-style-type: none"> <li>• In progress</li> </ul>  | <ul style="list-style-type: none"> <li>• Continue roll out the Oracle Fusion Goals and Performance module across all Directorates.</li> </ul>                                      |
| <p>Procurement – Governance around Contracts.</p>                  | <ul style="list-style-type: none"> <li>• Reinforce and rollout the recommendations outlined in the Chief</li> </ul>  | <ul style="list-style-type: none"> <li>• Corporate compliance with CPRS is not uniform / consistent.</li> </ul>                            | <ul style="list-style-type: none"> <li>• In progress.</li> </ul> | <ul style="list-style-type: none"> <li>• Regularly remind Heads of Service of CPRs at DMT / PFM meetings and</li> </ul>  |



## Annual Governance Statement 2023/24

|  |   |  |  |   |
|--|---|--|--|---|
|  | Auditors Procurement Memo approved on the 25/11/22. |  |  | reinforce compliance messages. <ul style="list-style-type: none"><li>• Legal Services to monitor contracts valued at £140K+ to ensure appropriately sealed.</li></ul> |
|--|---|--|--|---|

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness. **We will review progress during the course of the year at Corporate Management Team / Leadership Team and will monitor their implementation and operation as part of our next six monthly and annual review.**

Signed ..... Chief Executive

Date .....

Signed..... Leader

Date .....

### Appendix A

#### Statutory external inspections/regulators

1. Swansea's Director of Social Services' Annual Report 2022/23 was presented to full Council in October 2023. The report is an opportunity to show how well Swansea is meeting the new statutory requirements under the Social Services and Well-being (Wales) Act 2014, and how we are applying the five ways of working within the Well-being of Future Generations (Wales) Act 2015. The report evaluates the local authority's improvement journey to 2022/23, performance in achieving the six National Quality Standards and contributing the wellbeing outcomes for the citizens of Swansea.
2. The Welsh Government issued a consultation in 2023 on 'Rebalancing Care and Support' programme. The programme scope included proposed changes to the Code of Practice on the role of the Director of Social Services. These respond to changes introduced by the new Performance and Improvement Framework (Measuring social services performance and seeks to include the use of people's experiences, as well as the data collected under the framework.
3. In meeting the new regulations and code of practice, Local Authorities would be expected to undertake a self-assessment exercise to identify needs for improvement. This framework aligns with the new corporate self-assessment structure as set out under the Local Government and Elections (Wales) Act 2021. Alongside the changes to the Code of Practice, there are plans changes to the Local Authority Social Services Annual Report Regulations which set out what the new annual reports must include. These arrangements are expected to commence on the reporting for 2024/25.
4. Care Inspectorate Wales (CiW) hold an annual performance review meetings with each local authority social services. Senior management, cabinet members and senior managers are invited to the meeting to share in feedback from recent inspection activity and to discuss progress against the statutory requirements, improvement priorities and against performance measures. Minutes noting the outcome of the meeting are then sent to the Director of Social Services; the most recent meeting was held on 5<sup>th</sup> November 2023.
5. CIW confirmed that, following a consultation phase, changes to how local authority social services are reviewed, are now being implemented. The updated code of practice for local authority inspection activity has been published (May 2023). The Chief Inspectors recent report set out the context and themes from the national, regional and local work programmes. These include:
  - Unprecedented increase in demand for care and support creating significant pressure on services.
  - Partnership working and a whole system approach to ensure people receive the care and support they require.

- Recruitment and retention of social care workers remains far from sufficient.
  - Fragility within domiciliary support services.
  - Placement insufficiency for children with care and support needs.
  - Advocacy services are key to ensuring people's voices are heard and personal outcomes achieved.
  - Support for carers is crucial to provide and shape holistic care.
6. The annual performance meeting held in Swansea structures the discussion on four areas: People, Wellbeing, Prevention and Partnership & Integration. Generally positive examples were shared in all areas, and some observations for follow up: Key challenges are captured in service improvement plans and the meeting acknowledged that are challenges ahead and difficult decisions about what will "harm least" when looking at any reduction in services.
7. The meeting identified that Swansea Social Services improvements are embedded in service plans and taken forward within corporate Successful and Sustainable Swansea transformation plan, in particular the following programmes:
- Transforming Adult Services:
  - Child and Family Services Transformation
  - Enabling Communities
  - Workforce and Organisational Development
  - Successful and Sustainable Swansea - Our transformation plan .
8. CIW Feedback Surveys: Care Inspectorate Wales (CIW) is committed to putting people and their experiences at the heart of their work. Feedback is an important source of information for CIW that helps inform their inspection and enforcement processes. CIW is interested in hearing from the people who use and rely on social care or childcare and play services in Wales, as well as their relatives, visitors, staff, involved professionals or friends. To access their feedback surveys, please see: [CIW - Feedback Surveys](#). Feedback can be given at any time through the link above and not just as part of an inspection.
9. In October 2022, Welsh Government invited Care Inspectorate Wales (CiW) to lead a multi-agency rapid review of decision-making around child protection, in response to a number of tragic child deaths across Wales and England. Working alongside Healthcare Inspectorate Wales and Estyn, the initial findings were published in June 2023. The report highlights Swansea's direct work with children and working in partnership on applying thresholds within child protection cases.
10. At the same time, CiW carried out a national review and reported on:
- Report on care planning for children and young people subject to Public Law Outline pre-proceedings.
  - Report on care homes for children operating without registration in 2022/23 expectations placed on registered managers to undertake a Self-

Assessment of Service Statement (SASS) SASS is an online form Registered Persons and Responsible Individuals are required to complete under the Child Minding and Day Care (Wales) Regulations 2010

11. Feedback from the CiW Report on Ty Nant, Swansea Council children's residential services, is scheduled to be presented to scrutiny performance panel in May 2024.
12. Following the Estyn inspection of Local Government Inspection Services in June 2022, there has been strong progress against the two recommendations made. The first, to strengthen Welsh-medium provision across all ages and areas of the local authority, is being delivered in accordance with the ten-year Welsh in Education Plan (WESP). The second, to review post-16 provision to ensure that it meets the needs of all learners, has shown good progress against the priorities within the Post-16 Strategy.
13. The Local Authority has made effective progress its additional learning needs (ALN) strategy, with a revised strategy in place to develop further areas required. Whilst positive progress has been made, it remains too early to fully measure the impact on a wide scale, as the transfer from the SEN system to ALN system continues in a phased approach.
14. A wholesale review of specialist provision for learners with ALN has taken place, with a proposed model in final stages of development. Further work is required to refine the model and implement changes.
15. Between April 2023 and March 2024, 20 schools were inspected, with 10 of those reports published. Of the 10 reports published during this period, nine schools have no follow-up, one school is in an Estyn Review category. To March 2024, three schools remain in an Estyn Review category, and one school is in a Special Measures category. Schools that are in an Estyn category receive support from the School Improvement Team. Two schools have been invited to submit case studies of effective practice.
16. The Council continues to take appropriate steps to ensure that the new regional partnership with two other local authorities, Partneriaeth, results in an offer that better suits the needs of schools in Swansea; this is still developing.
17. School reserves continue to be high, although are decreasing.
18. Initial progress has been made against the first year of the delivery plan in place to realise the aims of the 10-year Welsh in Education Strategic Plan. However, the needs of learners and local requirements will need to be kept under review.
19. In February 2024 Audit Wales published a report entitled "**From Firefighting to Future-proofing – the Challenge for Welsh Public Services**". The report recognises the pressures in local government and the real terms reductions and increasing demand in some service areas in particular. The Auditor

General acknowledges the funding gap for local government in 2024-25 and beyond, identified by the Welsh Local Government Association and Cardiff University and recognises that the risk of a Section 114 notice being issued in Wales will increase unless the funding outlook improves. He also recognises the risks of governance and/or service failings that arise when financial and workforce resources are stretched, and the impact that can have on public confidence in public services.

20. In responses to these challenges the report suggests public bodies could become more sustainable and achieve more from what they spend if they address themes of:
- Minimising losses through fraud and error
  - Complexity of the public service landscape
  - Workforce capacity
  - Digital transformation
  - Planning for the long term
  - Ensuring value for money
21. Below is a summary of how the Council is already addressing these themes:
- i) **Minimising losses through fraud and error:** the Council's Corporate Fraud function sits with the Internal Audit Service. It is a small team, which combined with the requirements of reactive work continues to impact the ability to be proactive in certain areas. Nonetheless the team proactively engages in the National Fraud Initiative exercise and a proactive exercise in respect of housing stock being used as short-term serviced holiday accommodation was completed in the first half of the financial year. Urgent employee investigations continue to be prioritised and time critical responses and actions are undertaken. The team also continues to receive and evaluate a consistently high level of reports of alleged fraud and continues to respond to high levels of data requests consistent with previous years. The team is also directly involved or assisting in with multi-agency investigations with the Police, DWP Organised Crime, NHS, and The Home Office.
- ii) **Complexity of the public service landscape:** the Council is a member of many partnerships and networks, but the most significant are Swansea Public Services Board, the West Glamorgan Regional Partnership, Partneriaeth Joint Committee, the South West Wales Joint Committee, and the Swansea Bay City Region Joint Committee. The Council has excellent working arrangements in place with partners as can be evidenced in the most recent report provided to the Governance and Audit Committee in October 2023 on the work being delivered by each of the strategic partnerships.
- iii) **Workforce capacity:** in 2023 the Council approved a workforce strategy which aims to enable the Council to be an employer of choice, to improve attraction and retention rates whilst creating a workforce fit for the future. A Workforce and Organisational Development Transformation Programme is

also in place to support delivery of the strategy and the risk of not having the workforce the organisation needs is on the corporate risk register.

- iv) **Digital transformation:** in 2023 the Council approved a digital strategy which aims to: A Digital Transformation Programme is in place to support delivery of the strategy and the risk of not having effective cyber security arrangements in place is on the corporate risk register.
- v) **Planning for the long term:** In 2023 the Council approved Successful and Sustainable Swansea Corporate Plan which sets out the council's priorities and plans for the period 2023-28 underpinned by the five ways of working and supported by the Council's Medium Term Financial Plan which was approved in March 2024. The plan is further supported by individual annual service plans. In addition to the Corporate Plan the Council is a member of the Public Service Board which has a Wellbeing Plan.
- vi) **Ensuring value for money:** The Council's financial control and governance arrangements (described in this Annual Governance Statement) seek to ensure the Council is making best use of public money, taking informed decisions, based on evidence. That said, there is a recognition that compliance with the Council's Contract Procedure rules needs strengthening, and this will be a continued focus in 2024-25.

## **Glossary of Terms**

We appreciate that the Statement of Accounts as presented contains a number of technical terms which may be unfamiliar to the lay reader. Wherever possible we have sought to minimise the use of technical terms but in some instances this has not been possible. The following section attempts to explain the meaning of some of those technical terms that are used in the Statements.

### **Accrual**

Sums due to the Authority or payable to external organisations in the financial year irrespective of whether the cash has been received or paid.

### **Actuary**

An actuary is a person who works out insurance and pension premiums, taking into account factors such as life expectancy.

### **Agency Services**

Agency services are services provided for us by an outside organisation.

### **Amortised Cost**

Amortised costs are used to spread the financial impact of depreciation or using an equivalent interest rate or the effect of a premium or discount over a number of years on the income and expenditure account.

### **Associate**

An associate is an entity other than a subsidiary or joint venture in which the reporting authority has a participating interest and over whose operating and financial policies the reporting authority is able to exercise significant influence.

### **Audit**

An audit is an independent examination of our activities.

### **Balance Sheet**

This is a statement of our assets and liabilities at the date of the balance sheet.

### **Budget**

A budget is a spending plan, usually for the following financial year.

### **Capital Adjustment Account**

This Account represents timing differences between the amount of the historical cost of fixed assets that has been consumed by depreciation, impairment and disposals, and the amount that has been set aside to finance capital expenditure.

### **Capital Expenditure**

Capital expenditure is spending on fixed assets. These are assets which will be used for several years to provide services such as buildings, equipment and vehicles.



## *Glossary of Terms*

### **Capital Receipts**

Capital receipts are proceeds from the sale of fixed assets such as land or buildings.

### **Cash Equivalents**

Cash Equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **Cash flow Statement**

This is a statement that summarises the movement in cash during the year.

### **Consolidated Balance Sheet**

This balance sheet combines the assets, liabilities and other balances of all our departments, at our year end date.

### **Corporate and Democratic Costs**

The corporate and democratic core comprises all activities which local authorities engage in specifically because they are elected, multi-purpose authorities. The costs of these activities are thus over and above those which would be incurred by a series of independent, single-purpose, nominated bodies managing the same services. There is therefore no logical basis for apportioning these costs to services.

### **Credit Risk**

This is the risk of loss due to a debtors inability to make interest or principal repayments on a loan/investment.

### **Creditor**

A creditor is someone we owed money to at the date of the balance sheet for work done, goods received or services rendered.

### **Current Assets**

These are short-term assets which are available for us to use in the following accounting year.

### **Current Liabilities**

These are short-term liabilities which are due for payment by us in the following accounting year.

### **Debtor**

A debtor is someone who owed money to us at the date of the balance sheet.

### **Depreciation**

Depreciation is the theoretical loss in value of assets, which we record, in our annual accounts.

## *Glossary of Terms*

### **Earmarked Reserves**

These are reserves we have set aside for a specific purpose.

### **Financial Year**

This is the accounting period. For local authorities it starts on 1<sup>st</sup> April and finishes on 31<sup>st</sup> March in the following year.

### **Finance Leases**

When we use finance leases, we take on most of the risks (and rewards) of owning the assets.

### **Fixed Asset**

These are long-term assets we use (usually for more than one year).

### **Gilt Edged Stocks**

These are investments in government or local authority stocks. They are regarded as risk-free.

### **Government Grants**

Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in form of cash or transfers of assets to an Authority in return for past or future compliance with certain conditions relating to the activities of the Authority.

### **Housing Revenue Account**

This account contains all our housing income and spending.

### **Investments**

A long-term investment is an investment that is intended to be held for use on a continuing basis in the activities of the Authority. Investments should be so classified only where an intention to hold the investment for the long term can clearly be demonstrated or where there are restrictions as to the investor's ability to dispose of the investment.

### **Joint Venture**

A joint venture is an entity in which the reporting authority has an interest on a long-term basis and is jointly controlled by the reporting authority and one or more other entities under a contractual or other binding arrangement.

### **Leasing**

This is a method of financing capital expenditure by paying the owner to use property or equipment for a number of years.

## *Glossary of Terms*

### **Liability**

A liability is an amount payable at some time in the future.

### **Liquidity Risk**

This is the risk that investments cannot be readily turned into cash or realised because there is no ready market for the instrument or there are restrictive clauses in the agreement.

### **Minimum Revenue Provision (MRP)**

This is the amount we have to set aside to repay loans.

### **Non-Domestic Rates (NDR)**

The NDR, or Business Rate, is the charge occupiers of business premises pay to finance part of local authority spending. The NDR is set by Government and is a percentage of the rateable values. The percentage is the same throughout Wales. The total collected is split between individual authorities in proportion to their adult populations.

### **Net Realisable Value**

The selling price of the asset, reduced by the relevant cost of selling it.

### **Non Distributable Costs**

These are costs that relate to past activity costs, such as the cost of redundant assets or information technology, or past service pension that cannot be allocated to services.

### **Operating leases**

These are leases where risks (and rewards) of ownership of the asset remain with the owner.

### **Precepts**

This is the amount we pay to a non-billing authority (for example a community council) so that it can cover its expenses (after allowing for its income).

### **Provision**

A provision is an amount we set aside in our accounts for expected liabilities which we cannot measure accurately.

### **Public Works Loan Board (PWLB)**

This is a Government agency which provides longer-term loans to local authorities. It charges interest rates only slightly higher than those at which Government itself can borrow.

### **Related party transactions**

These are the transfer of assets or liabilities or the performance of services by, to or for a related party no matter whether a charge is made.

## **Glossary of Terms**

### **Reserves**

These are sums set aside to meet future expenditure. They may be earmarked to fund specific expenditure or be held as general reserves to fund non specific future expenditure.

### **Revaluation Reserve**

This reserve represents the difference between the revalued amount of fixed assets in the Balance Sheet and their depreciated historical cost.

### **Revenue**

Income arising as a result of an Authority's normal operating activities.

### **Revenue account**

This is an account which records our day-to-day spending and income on items such as salaries and wages, running costs of services and the financing of capital expenditure.

### **Scheduled organisation**

An organisation whose employees have an automatic right to be members of a pension fund.

### **Service recipient**

A party that has contracted with an Authority to obtain goods or services that are an output of the Authority's normal operating activities in exchange for consideration.

### **Securities**

These are investments such as stocks, share and bonds.

### **Stocks**

Stocks are raw materials we purchased for day to day use. The value of those items we had not used at the date of the balance sheet is shown in current assets in the balance sheet.

### **Subsidiary**

An entity is a subsidiary of the reporting authority if:

- the authority is able to exercise control over the operating and financial policies of the entity, and
- the authority is able to gain benefits from the entity or is exposed to the risk of potential losses arising from this control.

### **Temporary Borrowing or Investment**

This is money we borrowed or invested for an initial period of less than one year.

### **Transfer value**

This is the value of payments made between funds when contributors leave service with one employer and decide to take the value of their pension contributions to their new employer's fund.

## *Glossary of Terms*

### **Trust Funds**

Trust funds hold an individual's or organisation's money on their behalf. Trustees administer the money for the owners.

### **Unit Trusts**

These are investment companies which accept money from many different investors. The money is pooled and used to buy investments.

### **Venture Capital Units**

These are investments we have made in businesses where there is a higher risk but where rewards are also likely to be higher, if the businesses are successful.

### **Work in Progress**

Work in progress is the value of work done on an unfinished project at the date of the balance sheet and which has not yet been recharged to the appropriate revenue account.

# Integrated Impact Assessment Screening Form – Appendix B

Please ensure that you refer to the Screening Form Guidance while completing this form.

## Which service area and directorate are you from?

Service Area: Accountancy

Directorate: Finance

### Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services

### (b) Please name and fully describe initiative here:

**Statement of Accounts for Council (for approval). Legislation requires the Council to produce an annual Statement of Accounts in respect of each financial year.**

### Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

|                                     | High Impact              |                          | Medium Impact            |                          | Low Impact                          |                          | Needs further investigation |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|-----------------------------|
|                                     | +                        | -                        | +                        | -                        | +                                   | -                        |                             |
| Children/young people (0-18)        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Older people (50+)                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Any other age group                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Future Generations (yet to be born) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Disability                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Race (including refugees)           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Asylum seekers                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Gypsies & travellers                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Religion or (non-)belief            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Sex                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Sexual Orientation                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Gender reassignment                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Welsh Language                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Poverty/social exclusion            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Carers (inc. young carers)          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Community cohesion                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Marriage & civil partnership        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |
| Pregnancy and maternity             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    |

## Integrated Impact Assessment Screening Form – Appendix B

- Q3** What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches?  
Please provide details below – either of your activities or your reasons for not undertaking involvement

Legislation requires the Council to produce an annual Statement of Accounts in respect of each financial year – does not require engagement.

- Q4** Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

- a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?  
Yes  No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
Yes  No
- c) Does the initiative apply each of the five ways of working?  
Yes  No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?  
Yes  No

- 
- Q5** What is the potential risk of the initiative? (*Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...*)

High risk

Medium risk

Low risk

- 
- Q6** Will this initiative have an impact (however minor) on any other Council service?

Yes  No If yes, please provide details below

- 
- Q7** What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?  
(*You may need to discuss this with your Service Head or Cabinet Member to consider more widely if this proposal will affect certain groups/ communities more adversely because of other decisions the organisation is making. For example, financial impact/poverty, withdrawal of multiple services and whether this is disadvantaging the same groups, e.g., disabled people, older people, single parents (who are mainly women), etc.*)

**No impact**

# Integrated Impact Assessment Screening Form – Appendix B

## Outcome of Screening

**Q8 Please describe the outcome of your screening below:**

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

**Narrative below as per narrative that is included in the report –**

The Revenue budget of the Council was approved following the application of the corporate Equality Impact Assessment (EIA) process throughout the Budget setting process. This process has since been replaced with IIA's. It is essential where service levels are affected by changes to the Revenue budgets (including savings options) that the IIA process (alongside consultation and engagement as appropriate) is applied to ensure due regard is paid to the potential equality impacts of any proposals prior to decision making. An IIA screening has been undertaken on this report. This report outlines the statement of accounts and there are no implications to consider at this time.

(NB: This summary paragraph should be used in the relevant section of corporate report)

**Full IIA to be completed**

**Do not complete IIA – please ensure you have provided the relevant information above to support this outcome**

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|   |
|---|
| <b>Screening completed by:</b>                          |
| <b>Name: Amanda Thomas</b>                              |
| <b>Job title: Chief Accountant</b>                      |
| <b>Date: 04/03/2025</b>                                 |
| <b>Approval by Head of Service:</b>                     |
| <b>Name: Ben Smith</b>                                  |
| <b>Position: Director of Finance &amp; S151 Officer</b> |
| <b>Date: 04/03/2025</b>                                 |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)



# Agenda Item 8.

## Report of the Cabinet Member for Education & Learning

Extraordinary Council – 20 March 2025

### School Admission Arrangements 2026-2027



| <b>Executive Summary</b>  |  |
|---|--|
| <b>Purpose of Report:</b>   |  |
| To determine the admission arrangements for maintained schools for the academic year 2026-2027. The local authority is responsible for determining the admission arrangements for County maintained schools under Section 89 of the School Standards and Framework Act (1998) and in accordance with the Education (Determinations of Admission Arrangements) (Wales) Regulations 2006. |  |
| <b>Recommendation(s):</b>   |  |
| It is recommended that:   |  |
| 1)  | The proposed admission arrangements for 2026-2027 for Nursery as set out in Appendix A are approved.                 |
| 2)  | The proposed admission arrangements for 2026-2027 for Reception as set out in Appendix B are approved.               |
| 3)  | The proposed admission arrangements for 2026-2027 for Year 7 as set out in Appendix C are approved.                  |
| 4)  | The proposed admission arrangements for 2026-2027 for in-year transfers as set out in Appendix D are approved.       |
| 5)  | The proposed admission arrangements/criteria for entry for 2026-2027 for sixth forms set in Appendix E are approved. |
| 6)  | The Schedule of Events for primary and secondary for 2026-2027 at Appendix F is approved.                            |
| 7)  | The admission numbers for primary and secondary schools for 2026-2027 are noted, as set out in Appendix G.           |
| <b>Decision-Making Authority</b> <a href="http://www.swansea.gov.uk/constitution">www.swansea.gov.uk/constitution</a> :   |  |
| Select from the list the constitutional basis <a href="http://www.swansea.gov.uk/constitution">www.swansea.gov.uk/constitution</a> on which a decision is being sought (Please tick all that apply):  |  |
| <input checked="" type="checkbox"/> Article 4 "The Council Meeting"   | <input type="checkbox"/> Financial Procedure Rules   |
| <input type="checkbox"/> Scheme of Delegation   | <input type="checkbox"/> Land Transaction Procedure Rules  |
| <input type="checkbox"/> Terms of Reference   | <input type="checkbox"/> Other "Please Specify"  |
| <input type="checkbox"/> Contract Procedure Rules   | <input type="checkbox"/> Not Applicable. Explain Why   |
| Article 4, Service Strategies, Policies and Plans: The Admission Arrangements for Schools (local discretion)  |  |
| <b>Corporate Plan Wellbeing Objectives:</b>   |  |
| Select which Wellbeing Objectives are relevant to this report (Please tick all that apply):   |  |
| <input checked="" type="checkbox"/> Education & Skills  | <input type="checkbox"/> Tackling Poverty & Enabling Communities   |
| <input type="checkbox"/> Economy & Infrastructure   | <input type="checkbox"/> Transformation & Financial Resilience   |
| <input type="checkbox"/> Nature Recovery & Climate Change   | <input type="checkbox"/> All   |
| <input type="checkbox"/> Safeguarding   | <input type="checkbox"/> Not Applicable  |

|  |   |
|--|---|
| <b>Relevance to Corporate Plan Wellbeing Objectives:</b>   |   |
| The Admission Arrangements are set out in accordance with the Welsh Government (WG) School Admission Code (July 2013) and ensure that the admissions to schools are managed in a fair and equitable manner for all pupils. |   |
| <b>Reviewed and approved by:</b>   |   |
| Access to Services, Finance, Legal & Relevant Cabinet Member / Committee Chair.  |   |
| <b>Report Author &amp; Job Title:</b>  | Melissa Taylor, Lead Admissions Officer |

## Introduction

1. Under Section 89 of the School Standards and Framework Act 1998 the local authority is responsible for determining the admission arrangements for local authority maintained schools. In accordance with Regulation 4 of the Education (Determination of Admission Arrangements) (Wales) Regulations 2006 Admission Authorities have a duty to consult and determine school admission arrangements annually. The Regulations set requirements for consultation and determination of admission arrangements.
2. The Welsh Government in July 2013 issued the School Admissions Code and the School Admission Appeals Code in December 2013. The School Admissions Code applies to arrangements made for the 2026-2027 academic year and covers admissions to primary and secondary schools.

## Advice

3. Copies of the proposed admission arrangements for nursery classes are attached at Appendix A.
4. Copies of the proposed admission arrangements for primary schools are attached at Appendix B.
5. Copies of the proposed admission arrangements for secondary schools are attached at Appendix C
6. Copies of the proposed admission arrangements for in year transfers are attached at Appendix D.
7. Copies of the proposed admission arrangements and criteria for entry for sixth forms are attached at Appendix E.
8. The proposed 'Schedule of Events 2026-2027' for Reception (primary school) and Year 7 (secondary school) year of entry admission process is shown at Appendix F.
9. The admission numbers (ANs) for 2026-2027 for primary and secondary schools are shown at Appendix G.

10. The LA has consulted on a school organisation proposal that, if it proceeds, could affect the Admission Number of some schools (Cwm Glas Primary, \*Morrison Primary, \*Penyrheol Comprehensive) from September 2025. For these schools noted we have included the lowest possible admission number (AN) for 2026 with an additional note alongside which provides the potential alternative AN dependent on the outcome of the STF proposal. Should Cabinet proceed with the proposal a statutory notice will be published which will confirm the agreed AN. Final determination following statutory notice is expected in March 2025. The LA will update all relevant documentation/website.

## 11. **Admission limits**

The local authority (LA) is the admitting authority for all community schools (schools funded and maintained entirely by LAs). Requests for admission to Voluntary Aided schools - Church schools (e.g. Roman Catholic, Church in Wales schools) are administered and determined by the admission criteria set by the Governing Body of that school. Voluntary Aided schools are responsible for determining their own admission arrangements.

### Primary

The capacity of each primary school, including its nursery classes, has been calculated using the Welsh Government formula and from this an admission number (AN) has been set. The admission numbers for primary schools are shown in Appendix G. All schools must admit up to their AN in the year of entry (i.e. Reception) in primary schools. In the year of entry, and in all other year groups, a child will be refused a place by the local authority (LA) once the AN is reached.

The School Standards and Framework Act 1998, The School Admissions (Infant Class Sizes) (Wales) Regulations 2013, restricts infant class sizes to a maximum of 30 (i.e. Reception, Year 1 and Year 2). Welsh Government has also introduced a recommended limit of 30 for key stage 2 class sizes.

### Secondary

The admission numbers (ANs) shown at Appendix G are the limits for each year group. Schools should not exceed their AN in the year of entry (i.e. Year 7 for secondary admissions) or in any other year group.

### Primary and secondary

There is no guarantee of a catchment place at a school if the admission number (AN) has been reached, even if parents living within the catchment area of a school apply for a place before the published deadline (for Year 7 and Reception admissions). There is also no guarantee of a catchment place for applicants applying outside of the normal admission round (i.e. late applications for Reception and Year 7 admissions or in-year transfer requests), even if the pupil resides or moves into the catchment area.

### In-year transfers

Availability of places is determined by reference to the school's admission number (AN). A child will be refused a place once the admission number has been reached. ANs shown at Appendix G are the limits for each year group. Schools should not exceed their AN in the year of entry (i.e. Reception for primary admissions and Year 7 for secondary admissions), or in any other year group. Also, for primary school admissions, the School Standards and Framework Act 1998, The School Admissions (Infant Class Sizes) (Wales) Regulations 2013, restricts infant class sizes to a maximum of 30 (i.e. Reception, Year 1 and Year 2), and Welsh Government introduced a recommended limit of 30 for key stage 2 class sizes.

### Sixth forms

Criteria for entry and admission arrangements for sixth forms, including admission limits, are outlined in Appendix E. For schools with a sixth form, admission numbers will be the same for Years 12 and 13 as they are for Years 7 to 11.

## **12. Admissions criteria**

The Education (Admission of Looked After Children) (Wales) Regulations 2009 places a duty on admission authorities in Wales to admit children looked after by a local authority in Wales where an application for admission is made, even if the AN has been reached. Should an admission authority wish to refuse an admission application for a looked after child then they must refer the matter to the Welsh Ministers within seven days of receiving the application for decision. The decision of the Welsh Ministers is binding. Previously looked after children (looked after children who cease to be so because they were adopted or became subject to a residence order, or special guardianship order immediately following having been looked after), are also included in this criteria under the Welsh Government's School Admissions Code.

Pupils for whom the LA holds an Individual Development Plan (IDP) where the LA has named a school in section 2D.1 of the IDP will be included and accounted for when places are allocated, and schools are informed of this (with the exception of pupils allocated a place within a Special Teaching Facility).

## **13. Oversubscription**

Where more applications are received for a particular school than there are places available, places will be awarded using the oversubscription criteria set out in the admission arrangements (see Appendices A, B, C and D).

## **Stakeholder Participation**

14. All local authority community maintained schools and governing bodies in Swansea were consulted on the Admissions Arrangements 2026-2027 in line with statutory requirements. The Admission Forum and neighbouring local authority's were also consulted. As there were no significant changes to the

proposed admission arrangements policy there was no requirement to consult with wider stakeholders (i.e. parents).

15. In Swansea we have 85 local authority community maintained schools and 6 voluntary aided (VA) schools. Only 1 school responded to the consultation. The submission is outlined below, along with the response from the LA.

**Response 1** - The Governing Body at Newton Primary commented:

In response to the consultation process, we would once again like to raise concern that the over-subscription criteria do not give adequate priority to families who live in catchment and already have a sibling in attendance at the school. We feel that this policy risks separating siblings, negatively impacting child education and placing unnecessary stress on affected families.

The inclusion of a criteria which prioritised families living in catchment and who already have a sibling in attendance would be a welcome and relatively straightforward improvement to the policy. Every other Local Authority in England and Wales adopt such a policy. For example, see Carmarthenshire over-subscription criteria:

*If there are more applications for admission than places available at a particular school, the allocation of places will be based on the following criteria listed in priority order: -*

- 1. Looked-after and previously looked-after children.*
- 2. Children who live in the school's catchment area and have a sibling enrolled in the school at the time the child is to start at that school.*
- 3. Children who live in the school's catchment area who do not have a sibling enrolled in the school at the time the child is to start at that school.*
- 4. Children who reside outside of the school's catchment area AND have a sibling enrolled in the school at the time the child is to start at that school.*
- 5. Children who reside outside of the school's designated catchment area who do not have a sibling enrolled in the school at the time the child is to start at that school.*

**Notes**

*Within each of the above categories.*

**Distance Criteria**

*The distance from home to the school will be used as a basis for determining priority, with those living nearest the school being given priority and a place at the school before those living further away. The distance will be measured using Google Maps.*

Thank you for taking the time to consider our concerns.

**LA Response:**

Thank you for responding to our annual consultation on the local authority's proposed Admission Arrangements for 2026-2027.

The local authority want to be fair to all parents/families and it is difficult to have multiple criteria and to satisfy all families and all circumstances.

Every local authority (LA) must have its own oversubscription criteria as part of its admission arrangements and LAs will have slightly different oversubscription criteria. The criteria in Swansea is not unique to Swansea; Neath and Port Talbot have similar arrangements. Similarly, in Swansea we have additional criteria within our secondary admissions (attending a partner primary school), other LAs, such as Carmarthen, do not have.

The Welsh Government School Admissions Code provides guidelines and examples of good practice. It states, "it is possible for a criterion to be fair in some circumstances and not in others. It is for admission authorities, acting in accordance with the provisions and guidelines in this Code, to decide which criteria they will use and in what circumstances."

The LA and the Admission Forum appreciate that a refusal of a school place for any family can be upsetting, not just those in catchment with siblings, but also applicants who are out of catchment with siblings already attending their preferred school. Both the LA and the Forum wish to exercise fairness to all parents and recognise it is difficult to have multiple criteria and to satisfy all parents/families and all circumstances.

There have been many reviews of the admission arrangements by the Admission Forum and the policy has also been considered by the LAs Education Performance Scrutiny Panel. It has been recognised that there is a difficult balance to be had and therefore the Admissions Forum will, as it has in previous years, continue to monitor the admission arrangements each year to ensure there is no emerging pattern to suggest an unfairness towards any groups/families within Swansea local authority communities.

Your response will be included when the Admission Arrangements 2026-2027 are reported to Council for their determination.

**16. Admission Forum**

The admission forum has a role in ensuring a fair admissions system that does not disadvantage one child compared with another and is straightforward and easy for parents to understand. Admission forums are responsible for monitoring compliance with the School Admissions Code. The Forum provides a vehicle for the admission authority to discuss the effectiveness of local admission arrangements, consider how to deal with difficult admission issues and advise the admission authority on ways in which arrangements can be improved. Membership of the forum includes:-

Local Authority representatives (Members and officers)  
Headteacher representatives for secondary schools  
Headteacher representatives for primary schools  
Governor and Local Community representatives  
Diocesan representatives  
Voluntary Aided schools representatives

**17. The proposed Admission Arrangements 2026-2027 were put to the Admission Forum at a meeting held on 6th November 2024 and prior to wider consultation. The Forum were advised of minor updates and that there were no significant changes to the policy. The arrangements were discussed and**

considered. The view of the Forum were that they were in agreement with the proposed admission arrangements and oversubscription criteria.

18. The response submitted during the consultation period from Newton Primary Governing Body, was reported to the Forum and considered by Forum members at a meeting held on 12th February 2025.
19. At their meeting on 12th February 2025, the Forum further considered the proposed admission policy, and also the Newton Primary School Governing Body response submitted as part of the consultation. The consensus of the Forum was they were in full agreement with the LAs proposed policy and recommended that the Admission Arrangements 2026-2027 be approved in their current format.
20. The admission arrangements will continue to be monitored and discussed by the Forum annually to ensure there is no emerging pattern or data that would indicate any unfairness or inequity that would require a significant change to the arrangements.

### **Risk and Issues Assessment**

21. There are no risks or issues associated with the recommendation being made in this report. The determination of admission arrangements is a requirement under Section 89 of the School Standards and Framework Act (1998).

### **Integrated Assessment Implications**

22. The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure. Further information is available at [www.swansea.gov.uk/IIA](http://www.swansea.gov.uk/IIA)
23. The admission arrangements are set out in accordance with the Welsh Government (WG) School Admission Code (July 2013) and ensure that the admissions to schools are managed in a fair and equitable manner for all pupils.
24. Once set, the school admission arrangements apply to all and take account of all protected characteristics to ensure that all applications for a school place are treated equally.
25. An Integrated Impact Assessment (IIA) screening has been undertaken and no adverse implications have been noted.

### **Financial Implications**

26. There are no additional financial implications for the Council arising from the recommendations in this report.

### **Legal & Governance Implications**

27. Section 89 of the School Standards and Framework Act 1998 and Regulation 4 of the Education (Determination of Admission Arrangements) (Wales)

Regulations 2006 require Admission Authorities to consult and determine school admission arrangements annually. The Regulations set requirements for consultation and determination of admission arrangements. The Welsh Government guidance circular 'Measuring the Capacity of Schools in Wales', sets out methodology for local authorities to follow when determining their admission arrangements. There is also a legal requirement to consider the guidelines contained in the Welsh Government School Admissions Code (July 2013).

### **Appendices:**

- Appendix A - Admission Arrangements 2026-2027 Nursery
- Appendix B - Admission Arrangements 2026-2027 Reception
- Appendix C - Admission Arrangements 2026-2027 Year 7
- Appendix D - Admission Arrangements for 2026-2027 In Year Transfers
- Appendix E - Admission Arrangements/Criteria for Entry 2026-2027 Sixth Forms
- Appendix F - Schedule of Events for 2026-2027 (Reception and Year 7)
- Appendix G - Admission Numbers for 2026-2027 (Primary and Secondary Schools)
  
- Appendix H - IIA Screening Form

### **Background Papers:**

Education (Determination of Admission Arrangements) (Wales) Regulations 2006 - [www.legislation.gov.uk/wsi/2006/174/made](http://www.legislation.gov.uk/wsi/2006/174/made)

Welsh Government (WG) guidance 'Measuring the Capacity of Schools in Wales' - [Measuring the capacity of schools: guidance | GOV.WALES](#)

School Admissions Code – School admissions code | GOV.WALES [School admissions code | GOV.WALES](#)

School Admission Appeals Code WG December 2013 updated November 2023 – [School admission appeals code | GOV.WALES](#)



## SWANSEA COUNCIL

## ADMISSION ARRANGEMENTS 2026-2027

**(Nursery classes based at local authority schools)**

The local authority, the LA, is the admitting authority for all community schools (schools funded and maintained entirely by LAs) in the area. The LA has agreed that schools will undertake the administration of nursery applications on behalf of the LA.

**Admission to nursery classes**

Parents/carers who require a place in a nursery class will be required to submit an admission application.

Parents/carers can either apply for a place at the catchment school or express a preference for a placement at an alternative school. Support can be provided for parents who need assistance if necessary. Requests for places will be granted unless to do so would prejudice the provision of efficient education or the efficient use of resources.

There is **no right of appeal** following the refusal of an application for a place in a nursery class.

The number of nursery places available may differ to the admission number for the rest of the year groups within a school (Reception to Year 6).

**(a) Oversubscription Criteria – nursery classes in Community Schools**

If more applications have been received for any school than there are places available, the following order of priority will apply:

1. Children who are in the care of a local authority i.e. looked after children (LAC), or previously looked after\*.
2. Children who live within the school's defined catchment area. There is no guarantee of a catchment place. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.
3. Children who have a brother or sister of statutory school age attending the school at the date of their admission\*\*\*. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.
4. Other children for whom a place has been requested for whom criteria 1 to 3 above do not apply. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.

\* Looked After Child (LAC) / Previously Looked After Children – a looked after child refers to a child who is looked after by a local authority in England or Wales, (as defined by Section 22 of the Children Act 1989 and Section 74 of the Social Services and Wellbeing [Wales] Act 2014) at the time the application to a school is made and who the Local Authority has confirmed will still be looked after at the time of admission to the school. Previously looked after children: looked after children who cease to be so because they

were adopted or became subject to a residence order, or special guardianship order immediately following having been looked after (as defined by the Welsh Government School Admissions Code document no. 005/2013). Evidence will need to be provided for all LAC criteria applications.

\*\* The measurements will be taken from outside the entrance to the property (house or flat) to the nearest official school entrance. The local authority GIS computer programme is used when undertaking the measurement.

\*\*\* A brother or sister will be defined as a natural or legally adopted child of either parent living at the same address. In any circumstances in which there is one place available and the next eligible children are twins/triplets then the LA will admit both/all children. Statutory school age is defined as pupils who are between age 5 and 16 (i.e. pupils in any year group between and including Reception to Year 11).

### **Children who have Additional Learning Needs**

The oversubscription criteria does not apply to pupils for whom the LA holds an Individual Development Plan (IDP) where the LA has named a school in section 2D.1 of the IDP, although the rights of parents to be involved in the placement of their child are protected in law. The LA in consultation with Parents/carers and schools will determine the school at which education is to be provided. The LA reserves the right to name a school which is not the catchment area school.

Schools have a duty to admit children with an Individual Development Plan (IDP) where the LA has named a school in section 2D.1 of the IDP who have been placed in a school by the LA and these pupils are counted towards the number admitted up to the admission number unless they are placed in a Special Teaching Facility with planned places.

Please note that the information contained in this publication is correct at the time of going to print, but subject to change based on new guidance / legislation being issued which was not available when published.

### **Voluntary Aided Schools**

In Swansea we have Voluntary Aided church schools (these are Roman Catholic, Church in Wales). Requests for admission to voluntary aided schools will be determined by reference to admission criteria set by the governing body. The governing bodies of Voluntary Aided Schools are responsible for determining their own admission arrangements.

### **(b) Admission Procedures – nursery places in Community Schools**

Parents/carers can apply for a place for their child at the catchment school or state a preference for an alternative placement using the admission application.

Requests for admission will be granted provided there are places available. Where admission requests exceed the number of places available, places will be allocated in accordance with the LA's oversubscription criteria.

The main residential address should be used when applying. Addresses which have restrictions on occupancy (such as chalets or caravans on holiday parks with seasonal restrictions on occupancy) cannot be used as a permanent address.

Children attending the nursery class of a school will not have an automatic right of admission to full time education at the same school. Parents/carers will need to apply for a reception place along with other applicants at the appropriate time. There is no guarantee of a catchment place.

Attending the nursery at any school does not guarantee a place in the reception class.

Admissions will not be determined on the basis of selection criteria involving the sitting of tests, viewing of school reports, or interviewing pupils with or without parents/carers for the purpose of assessing ability or aptitude.

Parents/Carers who reside outside of the Swansea Council Local Authority should also make an application with their own Local Authority (the Local Authority to whom they pay Council Tax) as, in the event the school(s) applied for in Swansea are oversubscribed the LA will be under no duty to offer a place at an alternative Swansea school.

### **Withdrawal of a place**

A place can be withdrawn by the LA if information is received that suggests the application no longer meets the oversubscription criteria it was originally assessed on. Any place approved on the basis of residence will be withdrawn if the pupil is no longer permanently resident at the address at the beginning of the school term to which the application relates.

### **Waiting Lists**

The LA, as the admitting authority, maintains waiting lists for oversubscribed schools. For all admissions, where parents/carers are refused a place for their child/ren they are automatically placed on the waiting list. Pupils' names will remain on the waiting list for the whole academic year and will only be removed if a parent/carer confirms in writing that they no longer wish their child/ren's name to remain on the waiting list. If a place becomes available it will be allocated by the LA in accordance with the oversubscription criteria.

The LA will be under no duty to comply with preference expressed otherwise than in accordance with its arrangements.

## SWANSEA COUNCIL

**ADMISSION ARRANGEMENTS 2026-2027 (Reception)**

The local authority, the LA, is the admitting authority for all community schools (schools funded and maintained entirely by LAs) in the area.

Each child about to commence full time education will be invited to apply for a place at a school maintained by the LA.

Parents/carers can either apply on-line for a place at the catchment school or express a preference for a placement at an alternative school. Support can be provided for parents who need assistance if necessary. Requests for a place will be granted unless to do so would:

- prejudice the provision of efficient education or the efficient use of resources, and
- for voluntary aided schools, be incompatible with the admission arrangement agreed between the governing body and the LA.

Those parents who apply on time for a place at any school will be given priority over those who have not.

**(a) Admission Limits – Community Schools**

All schools must admit up to their admission number in the year of entry (i.e. Reception classes in primary schools). In the year of entry a child will be refused a place once the admission number has been reached. Parents/carers who are refused a place at the school must be given right of appeal.

The admission number applies to all year groups (except nursery).

**(b) Oversubscription Criteria – Community Schools**

If more applications have been received for any school than there are places available, the following order of priority will apply:

1. Children who are in the care of a local authority i.e. looked after children (LAC), or are previously looked after\*.
2. Children who live within the school's defined catchment area. There is no guarantee of a catchment place. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.
3. Children who have a brother or sister of statutory school age attending the school at the date of their admission.\*\*\* If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.
4. Other children for whom a place has been requested for whom criteria 1 to 3 above do not apply. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.

\* Looked After Child (LAC) / Previously Looked After Children – a looked after child refers to a child who is looked after by a local authority in England or Wales, (as defined by Section 22 of the Children Act 1989 and Section 74 of the Social Services and Wellbeing [Wales] Act 2014) at the time the application to a school is made and who the Local Authority has confirmed will still be looked after at the time of admission to the school. Previously looked after children: looked after children who cease to be so because they were adopted or became subject to a residence order, or special guardianship order immediately following having been looked after (as defined by the Welsh Government School Admissions Code document no. 005/2013). Evidence will need to be provided for all LAC criteria applications.

\*\*The measurements will be taken from outside the entrance to the property (house or flat) to the nearest official school entrance. The local authority GIS computer programme is used when undertaking the measurement.

\*\*\*A brother or sister will be defined as a natural or legally adopted child of either parent living at the same address. In any circumstances in which there is one place available and the next eligible children are twins/triplets then the LA will admit both/all children. Statutory school age is defined as pupils who are between age 5 and 16 (i.e. pupils in any year group between and including Reception to Year 11).

The LA **will not** provide transport or make any contribution towards transport costs for children admitted from outside the school's defined catchment area. However, if the catchment area school is full in the year group, transport will be provided to the nearest school with room if that school is more than 2 miles from the home address. The LA's School Transport Policy and school transport information is available on the Council website [www.swansea.gov.uk/schooltransport](http://www.swansea.gov.uk/schooltransport)

### **Children who have Additional Learning Needs**

The oversubscription criteria does not apply to pupils for whom the LA holds an Individual Development Plan (IDP) where the LA has named a school in section 2D.1 of the IDP, although the rights of parents to be involved in the placement of their child are protected in law. The LA in consultation with Parents/carers and schools will determine the school at which education is to be provided. The LA reserves the right to name a school which is not the catchment area school.

Schools have a duty to admit children with an Individual Development Plan (IDP) where the LA has named a school in section 2D.1 of the IDP who have been placed in a school by the LA and these pupils are counted towards the number admitted up to the admission number unless they are placed in a Special Teaching Facility with planned places.

Please note that the information contained in this publication is correct at the time of going to print, but subject to change based on new guidance / legislation being issued which was not available when published.

### **Voluntary Aided Schools**

In Swansea we have Voluntary Aided church schools (these are Roman Catholic, Church in Wales). Requests for admission to voluntary aided schools will be determined by reference to admission criteria set by the governing body. The governing bodies of Voluntary Aided Schools are responsible for determining their own admission arrangements.

### **(c) Admission Procedures – Community Schools**

Parents/carers will be asked to apply on-line for a place for their child at the catchment school or to state a preference for an alternative placement using the admission application.

Requests for admission will be granted provided there are places available. Where admission requests exceed the number of places available, as determined by the published admission number, applications will be allocated by applying the LA's oversubscription criteria.

The main residential address should be used when applying. Addresses which have restrictions on occupancy (such as chalets or caravans on holiday parks with seasonal restrictions on occupancy) cannot be used as a permanent address.

Children attending the nursery class of a school will not have an automatic right of admission to full time education at the same school. Parents/carers will need to apply for a reception place along with other applicants. There is no guarantee of a catchment place.

Attending the nursery at any school does not guarantee a place in the reception class.

Although the LA permits pupils to start reception full time at the start of the academic year in which they become five, the law does not require a child to start school until the start of term following the child's fifth birthday. Therefore, if the parent of a reception age child wishes to defer entry until later in the school year a place must be allocated to this child and this place is not available to be offered to another child. Entry cannot however be deferred beyond the beginning of the term after the child's fifth birthday nor beyond the academic year for which the original application was accepted.

Requests for admission to reception submitted on or before the administrative closing date, **28 November 2025**, will be processed collectively and places allocated according to the above oversubscription criteria. In this respect, no advantage shall be gained from the early submission of an admission request. Requests submitted after the closing date will be treated as late applications.

For requests to change a school preference after the published closing date for applications or after an offer of a place has been made on the statutory offer day, a new application will need to be submitted. A new application made will be a late application and will supersede any earlier applications received and any offers that were previously made would no longer be available.

Admissions will not be determined on the basis of selection criteria involving the sitting of tests, viewing of school reports, or interviewing pupils with or without parents/carers for the purpose of assessing ability or aptitude.

The LA will be under no duty to comply with preference expressed otherwise than in accordance with its arrangements.

Parents/carers who have applied by the **28 November 2025** will be advised whether they have been allocated a place by the **16 April 2026**.

Parents/Carers who reside outside of the Swansea Council Local Authority should also make an application with their own Local Authority (the Local Authority to whom they pay Council Tax) as, in the event the school(s) applied for in Swansea are oversubscribed the LA will be under no duty to offer a place at an alternative Swansea school.

### **Equal Preference**

All preferences from parents will be considered equally. In the event that one or more preferences can be met, the highest preference school will be offered, with all lower preferences being withdrawn.

### **Late Applications**

Requests submitted after the published closing date will not be considered until after all on time applications received have been allocated and offered their places on the statutory offer day. Late applications are dealt with in date order of receipt. Where there are more late applications for a school than there are places available the applications will be considered in line with the oversubscription criteria. Appeals for late applications may be held after the appeals for on time applications have been held.

### **Right of Appeal**

Parents/carers will be informed, in writing, as to whether their application has been successful. Where their application has been refused parents/carers will be informed in writing that they have right of appeal to an independent appeal panel. If they exercise that right, the appeal must be forwarded to Swansea Council School Admissions Team by **14 May 2026** (for applications that were received on time). The appeal will be considered by an independent appeal panel of 3 or 5 people comprising lay members, and persons with experience in education.

**Please note:** Because of the statutory class size maximum of 30, there are very restricted circumstances in which an appeal for a place in an infant class (Reception, Year 1 and Year 2) can be successful. The restricted circumstances are outlined in Annex C – point C.4 of the Welsh Governments School Admission Appeals Code – document no: 001/2023.

### **Withdrawal of a place**

A place can be withdrawn by the LA if information is received that suggests the application no longer meets the oversubscription criteria it was originally assessed on. Any place approved on the basis of residence will be withdrawn if the pupil is no longer permanently resident at the address at the beginning of the school term to which the application relates.

### **Waiting Lists**

The LA, as the admitting authority, maintains waiting lists for oversubscribed schools. For all admissions, where parents/carers are refused a place for their child/ren they are automatically placed on the waiting list and an opportunity to meet with an independent appeal panel is offered. Pupils' names will remain on the waiting list for the whole academic year and will only be removed if they are successful at appeal or if a parent confirms in writing that they no longer wish their child/ren's name to remain on the waiting list. If a place becomes available it will be allocated by the LA in accordance with the oversubscription criteria.

The LA will be under no duty to comply with preference expressed otherwise than in accordance with its arrangements.

## SWANSEA COUNCIL

**ADMISSION ARRANGEMENTS 2026-2027 (Year 7)**

The local authority, the LA, is the admitting authority for all community schools (schools funded and maintained entirely by LAs) in the area.

Each child about to transfer from primary to secondary education will be invited to apply for a place at a school maintained by the LA.

Parents/carers can either apply on-line for a place at the catchment school or express a preference for a placement at an alternative school. Support can be provided for parents who need assistance if necessary. Requests for a place will be granted unless to do so would:

- prejudice the provision of efficient education or the efficient use of resources, and
- for voluntary aided schools, be incompatible with the admission arrangement agreed between the governing Body and the LA.

Those parents who apply on time for a place at any school will be given priority over those who have not.

**(a) Admission Limits – Community Schools**

Availability of places is determined by reference to the school's admission number. Schools must admit up to the admission number in the year of entry (i.e. Year 7 in secondary school) and must not exceed this number. Parents/carers who are refused a place at the school must be given right of appeal.

The admission number applies to all year groups.

**(b) Oversubscription Criteria – Community Schools**

If more applications have been received for any school than there are places available, the following order of priority will apply:

1. Children who are in the care of a local authority i.e. looked after children (LAC) or previously looked after\*.
2. Children who live within the school's defined catchment area. There is no guarantee of a catchment place. If there are more applications than places, places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.
3. Children who have a brother or sister of statutory school age attending the school at the date of their admission\*\*\*. If there are more applications than places, places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.
4. Children attending a designated partner primary school but who live outside the catchment area of that school. Attending a partner primary school does not guarantee a place in the associated secondary school. If there are more applications than places, places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.



5. Other children for whom criteria 1 to 4 above do not apply. If there are more applications than places, places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.

\* Looked After Child (LAC) / Previously Looked After Children – a looked after child refers to a child who is looked after by a local authority in England or Wales, (as defined by Section 22 of the Children Act 1989 and Section 74 of the Social Services and Wellbeing [Wales] Act 2014) at the time the application to a school is made and who the Local Authority has confirmed will still be looked after at the time of admission to the school. Previously looked after children: looked after children who cease to be so because they were adopted or became subject to a residence order, or special guardianship order immediately following having been looked after (as defined by the Welsh Government School Admissions Code document no. 005/2013). Evidence will need to be provided for all LAC criteria applications.

\*\*The measurement will be taken from outside the entrance to the property (house or flat) to the nearest official school entrance. The local authority GIS computer programme is used when undertaking the measurement.

\*\*\*A brother or a sister will be defined as a natural or legally adopted child of either parent living at the same address. In any circumstances in which there is one place available and the next eligible children for that place are twins/triplets, the LA will admit both/all children. Statutory school age is defined as pupils who are between age 5 and 16 (i.e. pupils in any year group between and including Reception to Year 11).

The LA **will not** provide transport or make any contribution towards transport costs for children admitted from outside the school's defined catchment area. However, if the catchment area is full in the year group, transport will be provided to the nearest school with room if that school is more than 3 miles walking distance from the home address. The LA's School Transport Policy and school transport information is available on the Council website [www.swansea.gov.uk/schooltransport](http://www.swansea.gov.uk/schooltransport)

### **Children who have Additional Learning Needs**

The oversubscription criteria does not apply to pupils for whom the LA holds an Individual Development Plan (IDP) where the LA has named a school in section 2D.1, although the rights of parents to be involved in the placement of their child are protected in law. The LA in consultation with Parents/carers and schools will determine the school at which education is to be provided. The LA reserves the right to name a school which is not the catchment area school.

Schools have a duty to admit children with an Individual Development Plan (IDP) where the LA has named a school in section 2D.1 of the IDP who have been placed in a school by the LA and these pupils are counted towards the number admitted up to the admission number unless they are placed in a Special Teaching Facility with planned places.

Please note that the information contained in this publication is correct at the time of going to print, but subject to change based on new guidance / legislation being issued which was not available when published.

## **Voluntary Aided Schools**

In Swansea we have Voluntary Aided church schools (these are Roman Catholic, Church in Wales). Requests for admission to voluntary aided schools will be determined by reference to admission criteria set by the governing body. The governing bodies of Voluntary Aided Schools are responsible for determining their own admission arrangements.

### **(c) Admission Procedures – Community Schools**

Parents/carers will be asked to apply on-line for a place for their child at the catchment school or to state a preference for an alternative placement using the admission application.

Requests for admission will be granted provided there are places available as determined by the published admission number. Where admission requests exceed the number of places available, places will be allocated by applying the LA's oversubscription criteria.

The main residential address should be used when applying. Addresses which have restrictions on occupancy (such as chalets or caravans on holiday parks with seasonal restrictions on occupancy) cannot be used as a permanent address.

Attending a partner primary school does not guarantee a place in the associated secondary school.

Applications for admission to the relevant age group (i.e. the age group at which children are normally admitted to the school) submitted on or before the administrative closing date, **28 November 2025**, will be processed collectively. In this respect, no advantage shall be gained from the early submission of an admission request. Requests submitted after the closing date will be treated as late applications.

For requests to change a school preference after the published closing date for applications or after an offer of a place has been made on the statutory offer day, a new application will need to be submitted. A new application made will be a late application and will supersede any earlier applications received and any offers that were previously made would no longer be available.

Admissions will not be determined on the basis of selection criteria involving the sitting of tests, viewing of school reports, or interviewing pupils with or without parents/carers for the purpose of assessing ability or aptitude.

The LA will be under no duty to comply with preference expressed otherwise than in accordance with its arrangements. Parents/carers who have applied by the **28 November 2025** will be advised whether they have been allocated a place on the **2 March 2026**.

Parents/Carers who reside outside of the Swansea Council Local Authority should also make an application with their own Local Authority (the Local Authority to whom they pay Council Tax) as, in the event the school(s) applied for in Swansea are oversubscribed the LA will be under no duty to offer a place at an alternative Swansea school.

### **Equal Preference**

All preferences from parents will be considered equally. In the event that one or more preferences can be met, the highest preference school will be offered, with all lower preferences being withdrawn.

### **Late Applications**

Requests submitted after the published closing date will not be considered until after all on time applications received have been allocated and offered their places on the statutory offer day. Late applications are dealt with in date order of receipt. Where there are more late applications for a school than there are places available the applications will be considered in line with the oversubscription criteria. Appeals for late applications may be held after the appeals for on time applications have been held.

### **Withdrawal of a place**

A place can be withdrawn by the LA if information is received that suggests the application no longer meets the oversubscription criteria it was originally assessed on. Any place approved on the basis of residence will be withdrawn if the pupil is no longer permanently resident at the address at the beginning of the school term to which the application relates.

### **Right of Appeal**

Parents/carers will be informed, in writing, as to whether their application has been successful. Where their application has been refused parents will be informed in writing that they have right of appeal to an independent appeal panel. If they exercise that right, the appeal must be forwarded to Swansea Council School Admissions Team by **27 March 2026** (for applications that were received on time). The appeal will be considered by an independent appeal panel of 3 or 5 people comprising lay members, and persons with experience in education.

### **Waiting Lists**

The LA, as the admitting authority, maintains waiting lists for oversubscribed schools. For all admissions, where parents/carers are refused a place for their child/ren they are automatically placed on the waiting list and an opportunity to meet with an Independent Appeal Panel is offered. Pupils' names will remain on the waiting list for the whole academic year and will only be removed if they are successful at appeal or if a parent confirms in writing that they no longer wish their child/ren's name to remain on the waiting list. If a place becomes available it will be allocated by the LA in accordance with the oversubscription criteria.

The LA will be under no duty to comply with preference expressed otherwise than in accordance with its arrangements.

## SWANSEA COUNCIL

**ADMISSION ARRANGEMENTS 2026-2027 (In Year Transfer)**

The local authority, the LA, is the admitting authority for all community schools (schools funded and maintained entirely by LAs) in the area.

**Admission to Community Schools – (Primary and Secondary)**

Parents/carers who require a school place will be required to submit an admission application. Parents/carers can either apply for a place at the catchment school or express a preference for a placement at an alternative school. Support can be provided for parents who need assistance if necessary. Requests will be granted unless to do so would:

- prejudice the provision of efficient education or the efficient use of resources, and
- for voluntary aided schools, be incompatible with the admission arrangement agreed between the governing body and the LA.

**(a) Admission Limits – Community Schools**

Availability of places is determined by reference to the school's admission number. A child will be refused a place once the admission number has been reached. Parents/carers who are refused a place at the school must be given right of appeal (**there is no right of appeal for nursery**).

The admission number applies to all year groups. These arrangements apply to pupils transferring in years reception to year 11.

**(b) Oversubscription Criteria – Community Schools**

If more applications have been received for any school than there are places available, the following order of priority will apply:

1. Children who are in the care of a local authority i.e. looked after children (LAC), or are previously looked after\*.
2. Children who live within the school's defined catchment area. There is no guarantee of a catchment place. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.
3. Children who have a brother or sister of statutory school age attending the school at the date of their admission.\*\*\* If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.
4. Children attending a designated partner primary school but who live outside the catchment area of that school. Attending a partner primary school does not guarantee a place in the associated secondary school. If there are more applications than places, places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*.

5. Other children for whom a place has been requested for whom criteria 1 to 4 above do not apply. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority\*\*

\* Looked After Child (LAC) / Previously Looked After Children – a looked after child refers to a child who is looked after by a local authority in England or Wales, (as defined by Section 22 of the Children Act 1989 and Section 74 of the Social Services and Wellbeing [Wales] Act 2014) at the time the application to a school is made and who the Local Authority has confirmed will still be looked after at the time of admission to the school. Previously looked after children: looked after children who cease to be so because they were adopted or became subject to a residence order, or special guardianship order immediately following having been looked after (as defined by the Welsh Government School Admissions Code document no. 005/2013). Evidence will need to be provided for all LAC criteria applications.

\*\*The measurements will be taken from outside the entrance to the property (house or flat) to the nearest official school entrance. The local authority GIS computer programme is used when undertaking the measurement.

\*\*\*A brother or sister will be defined as a natural or legally adopted child of either parent living at the same address. In any circumstances in which there is one place available and the next eligible children are twins/triplets then the LA will admit both/all children. Statutory school age is defined as pupils who are between age 5 and 16 (i.e. pupils in any year group between and including Reception to Year 11).

The LA **will not** provide transport or make any contribution towards transport costs for children admitted from outside the school's defined catchment area. However, if the catchment area school is full in the year group, transport will be provided to the nearest school with room if that school is more than 2 miles for primary or 3 miles for secondary from the home address. The LA's School Transport Policy and school transport information is available on the Council website [www.swansea.gov.uk/schooltransport](http://www.swansea.gov.uk/schooltransport)

### **Children who have Additional Learning Needs**

The oversubscription criteria does not apply to pupils for whom the LA holds an Individual Development Plan (IDP) where the LA has named a school in section 2D.1 of the IDP, although the rights of parents to be involved in the placement of their child are protected in law. The LA in consultation with Parents/carers and schools will determine the school at which education is to be provided. The LA reserves the right to name a school which is not the catchment area school.

Schools have a duty to admit children with an Individual Development Plan (IDP) where the LA has named a school in section 2D.1 of the IDP who have been placed in a school by the LA and these pupils are counted towards the number admitted up to the admission number unless they are placed in a Special Teaching Facility with planned places.

Please note that the information contained in this publication is correct at the time of going to print, but subject to change based on new guidance / legislation being issued which was not available when published.

## **Voluntary Aided Schools**

In Swansea we have Voluntary Aided church schools (these are Roman Catholic, Church in Wales). Requests for admission to voluntary aided schools will be determined by reference to admission criteria set by the governing body. The governing bodies of Voluntary Aided Schools are responsible for determining their own admission arrangements.

### **(c) Admission Procedures – Community Schools**

Parents/carers will be asked to apply for a place for their child at the catchment school or to state a preference for an alternative placement using the admission application.

Requests for admission will be granted provided there are places available. Where admission requests exceed the number of places available, as determined by the published admission number, applications will be allocated by applying the LA's oversubscription criteria.

The main residential address should be used when applying. Addresses which have restrictions on occupancy (such as chalets or caravans on holiday parks with seasonal restrictions on occupancy) cannot be used as a permanent address.

Children attending the nursery class of a school will not have an automatic right of admission to full time education at the same school. Parents/carers will need to apply for a Reception place along with other applicants at the appropriate time.

Attending the nursery at any school does not guarantee a place in the reception class.

Attending a partner primary school does not guarantee a place in the associated secondary school.

There is no guarantee of a place at a school even if you move into the catchment area for a school.

Admissions will not be determined on the basis of selection criteria involving the sitting of tests, viewing of school reports, or interviewing pupils with or without Parents/carers for the purpose of assessing ability or aptitude.

Parents/Carers who reside outside of the Swansea Council Local Authority should also make an application with their own Local Authority (the Local Authority to whom they pay Council Tax) as, in the event the school(s) applied for in Swansea are oversubscribed the LA will be under no duty to offer a place at an alternative Swansea school.

### **Equal Preference**

All preferences from parents will be considered equally. In the event that one or more preferences can be met, the highest preference school will be offered, with all lower preferences being withdrawn.

### **Right of Appeal**

Parents/carers will be informed, in writing, as to whether their application has been successful. Where their application has been refused parents/carers will be informed in writing that they have right of appeal to an independent appeal panel (**there is no right of appeal for nursery**). If they exercise that right, the appeal must be forwarded to

Swansea Council School Admissions Team. The appeal will be considered by an independent appeal panel of 3 or 5 people comprising lay members, and persons with experience in education.

**Please note:** Because of the statutory class size maximum of 30, there are very restricted circumstances in which an appeal for a place in an infant class (Reception, Year 1 and Year 2) can be successful. The restricted circumstances are outlined in Annex C – point C.4 of the Welsh Governments School Admission Appeals Code – document no: 001/2023.

### **Waiting Lists**

The LA, as the admitting authority, maintains waiting lists for oversubscribed schools. For all admissions, where parents/carers are refused a place for their child/ren they are automatically placed on the waiting list and an opportunity to meet with an independent appeal panel is offered (**there is no right of appeal for nursery**). Pupils' names will remain on the waiting list for the whole academic year and will only be removed if they are successful at appeal or if a parent confirms in writing that they no longer wish their child/ren's name to remain on the waiting list. If a place becomes available it will be allocated by the LA in accordance with the oversubscription criteria.

The LA will be under no duty to comply with preference expressed otherwise than in accordance with its arrangements.

## SWANSEA COUNCIL

## ADMISSION ARRANGEMENTS 2026-2027

## Admissions to Sixth Form - Criteria for Entry

**Application Closing Date**

Pupils can apply for a place at a sixth form at a Swansea school in the spring term prior to them seeking a place for the following September. Closing dates for applications will be determined by individual schools.

**Provisional Offer**

Pupils will be offered a provisional place. This provisional place will be subject to achieving certain specified entry qualifications as published by each individual school. For further information on specific entry qualifications contact the school directly.

**GCSE/Equivalent Results**

When GCSE grades are published i.e. the third Thursday in August ordinarily, it will be necessary for individual pupils to contact the school of choice to confirm grades at GCSE or equivalent examination results.

**Choice of Subjects**

Pupils who have achieved satisfactory grades at GCSE or equivalent will be given a firm offer of a place in the sixth form at the school of choice where places are available. It must be noted, however, that it may not be possible to study all the chosen subjects at the school of choice. It may be necessary for students to link with a sixth form at another school to pursue some subject choices.

Students who have achieved satisfactory grades at GCSE or equivalent but are unable to study all subject choices at the school of choice can be offered an alternative choice of subjects being taught at the particular premises. Alternatively, these students can seek a place at an alternative venue i.e. another Swansea school sixth form or Gower College.

**Pupils will not be required to sit an entrance interview.**

**Admission Limits – Sixth Forms**

All school sixth forms can admit up to their admission number subject to students achieving the entry requirement specified by the school (details are available from individual schools). Parents and pupils who are refused a place at the school sixth form must be given the right of appeal.

**Admission Arrangements**

The arrangements for admission into Year 12 and 13 for maintained community schools are delegated to the establishments directly. Details on admission arrangements for Voluntary Aided Schools may be obtained directly from the establishments concerned and will form part of their admissions policies.

**Waiting List**

If a school sixth form is over-subscribed and the school cannot meet the demand for courses a waiting list will be maintained. Applicants who have met the entry criteria (see above) but who have been refused a place due to the limit on places available



will be offered an opportunity to put their name on a waiting list. In the event that a place/s become/s available, pupil/s whose name/s are on the waiting list will be offered a place in accordance with the oversubscription criteria (see below).

### **Oversubscription Criteria**

For pupils who achieve the specified entry qualifications, where more applications have been received for any school sixth form than there are places available, the following order of priority will apply:

1. Pupils who are looked after by a local authority (LAC) or are previously looked after\*.
2. Pupils who live within the school's defined catchment area. There is no guarantee of a catchment place. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority.\*\*
3. Pupils who have a brother or sister of statutory school age attending the school at the date of their admission \*\*\*. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority \*\*
4. Pupils who attended the school in year 11 but who live outside the catchment area of that school. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority.\*\*
5. Other pupils for whom a place has been requested for whom criteria 1 to 4 above do not apply. If there are more applications than places, the places will be allocated in distance order with those living nearest (shortest available walking route) receiving priority.\*\*

\* Looked After Child (LAC) / Previously Looked After Children – a looked after child refers to a child who is looked after by a local authority in England or Wales, (as defined by Section 22 of the Children Act 1989 and Section 74 of the Social Services and Wellbeing [Wales] Act 2014) at the time the application to a school is made and who the Local Authority has confirmed will still be looked after at the time of admission to the school. Previously looked after children: looked after children who cease to be so because they were adopted or became subject to a residence order, or special guardianship order immediately following having been looked after (as defined by the Welsh Government School Admissions Code document no. 005/2013). Evidence will need to be provided for all LAC criteria applications.

\*\*All distances are measured electronically taking the distance from home to school by the shortest available walking route. The measurements will be taken from outside the entrance of the property (house or flat) to the nearest official school entrance.

\*\*\*A brother or sister will be defined as a natural or legally adopted child of either parent living at the same address. In any circumstances in which there is one place available and the next eligible pupils are twins/triplets then the LA will admit both/all pupils. Statutory school age is defined as pupils who are between age 5 and 16 (i.e. pupils in any year group between and including Reception to Year 11).

**NOTE:** Pupils with Individual Development Plans (IDP) where the LA has named a school in section 2D.1 of the IDP may transfer to sixth forms in Swansea schools. The decision to transfer is made by the local authority in consultation with the relevant school. Please note that the information contained in this publication is correct at the time of going to print, but subject to change based on new guidance / legislation being issued which was not available when published.

## SWANSEA COUNCIL

## ADMISSION ARRANGEMENTS 2026-2027

## SCHEDULE OF EVENTS FOR PRIMARY SCHOOLS (Reception)

|  |  |
|--|--|
| 2 December 2024  | Issue of admission arrangements to schools for consultation.   |
| 27 January 2025  | Return of consultation responses to local authority (LA)   |
| 28 January – 11 February 2025                            | Period for LA to resolve queries   |
| 6 March 2025   | Report of consultation to Corporate Briefing.  |
| 3 April 2025   | Determination of admission arrangements by Council   |
| September 2025   | Information for parents made available to schools and parents/carers on Swansea Council website or by hard copy (available on request) |
| 6 October 2025   | Parents/carers are invited to apply for a school place   |
| 6 October – 28 November 2025                             | A period of eight weeks for parents to make their admission applications   |
| <b>28 November 2025</b>                                  | <b>Deadline for parents/carers to submit admission application to Swansea Council School Admissions Team</b>                           |
| 16 April 2026  | Local authority notifies parents/carers of primary school place offered. (All Wales offer date).                                       |
| <b>EASTER HOLIDAY</b><br><b>30 March – 10 April 2026</b> |  |
| 14 May 2026  | Date by which parents/carers lodge appeal  |

## SWANSEA COUNCIL

## ADMISSION ARRANGEMENTS 2026-2027

## SCHEDULE OF EVENTS FOR SECONDARY SCHOOLS (Year 7)

|   |  |
|---|--|
| 2 December 2024   | Issue of admission arrangements to schools for consultation.   |
| 27 January 2025   | Return of consultation responses to local authority (LA)   |
| 28 January – 11 February 2025                                     | Period for LA to resolve queries   |
| 6 March 2025  | Report of consultation to Corporate Briefing.  |
| 3 April 2025  | Determination of admission arrangements by Council.  |
| September 2025  | Information for parents made available to schools and parents/carers on Swansea Council website or by hard copy (available on request) |
| 6 October 2025  | Parents/carers are invited to apply for a school place.  |
| 6 October – 28 November 2025                                      | A period of eight weeks for parents to make their admission applications.  |
| <b>28 November 2025</b>   | <b>Deadline for parents/carers to submit admission application to Swansea Council School Admissions Team</b>                           |
| 2 March 2026  | Local authority notifies parents/carers of secondary school place offered. (All Wales offer date)                                      |
| <b>HALF TERM HOLIDAY</b><br><b>16 February – 20 February 2026</b> |  |
| 27 March 2026   | Date by which parents/carers lodge an appeal.  |

## SWANSEA COUNCIL / CYNGOR ABERTAWE

## PRIMARY SCHOOLS / YSGOLION GYNRADD

## ADMISSION NUMBERS / NIFER DERBYN

2026-2027

**IMPORTANT INFORMATION:**

\*Cwm Glas Primary, \*Morrison Primary, \*Penyrheol Comprehensive

\*Please note that the LA has recently consulted on a school organisation proposal that, if proceeds, could affect the Admission Number of these schools from September 2025. The details of the proposal, including potential impact on the schools Admission Number, can be found at

<https://www.swansea.gov.uk/schoolorganisationSTFreviewconsultation>

In the table below, for the schools noted above, we have included the lowest possible admission number (AN) for 2026 with an additional note alongside which provides the potential alternative AN dependent on the outcome of the STF proposal. Should Cabinet proceed with the proposal a statutory notice will be published in January 2025 which will confirm the agreed AN. Final determination following statutory notice is expected in March 2025. The LA will update all relevant documentation/website.

|                           |     |   |
|---------------------------|-----|---|
| Birchgrove Primary        | 60  |   |
| Bishopston Primary        | 37  |   |
| Blaenymaes Primary        | 37  |   |
| Brynhyfryd Primary        | 60  |   |
| Brynmill Primary          | 45  |   |
| Burlais Primary           | 75  |   |
| Cadle Primary             | 51  |   |
| Casllwchwr Primary        | 30  |   |
| Christchurch Ch. in Wales | 20  |   |
| Cila Primary              | 16  |   |
| Clase Primary             | 45  |   |
| Clwyd Primary             | 45  |   |
| Clydach Primary           | 37  |   |
| Craigfelen Primary        | 25  |   |
| Crwys Primary             | 24  |   |
| Cwm Glas Primary*         | 36* | * Please note this would revert back to 40 if the STF proposal does not proceed |
| Cwmrhydyceirw Primary     | 65  |   |
| Danygraig Primary         | 37  |   |
| Dunvant Primary           | 49  |   |
| Gendros Primary           | 43  |   |

|                                |     |   |
|--------------------------------|-----|---|
| Glais Primary                  | 15  |   |
| Glyncollen Primary             | 30  |   |
| Gors Community                 | 46  |   |
| Gorseinon Primary              | 45  |   |
| Gowerton Primary               | 49  |   |
| Grange Primary                 | 30  |   |
| Gwyrosydd Primary              | 58  |   |
| Hafod Primary                  | 30  |   |
| Hendrefoilan Primary           | 34  |   |
| Knelston Primary               | 19  |   |
| Llangyfelach Primary           | 30  |   |
| Llanrhidian Primary            | 20  |   |
| Mayals Primary                 | 30  |   |
| Morrison Primary*              | 26* | * Please note this will increase to 30 if the STF proposal proceeds |
| Newton Primary                 | 30  |   |
| Oystermouth Primary            | 30  |   |
| Parkland Primary               | 75  |   |
| Pen y Fro Primary              | 30  |   |
| Penclawdd Primary              | 30  |   |
| Pengelli Primary               | 16  |   |
| Penllergaer Primary            | 43  |   |
| Pennard Primary                | 30  |   |
| Pentrechwyth Primary           | 24  |   |
| Pentre'r Graig Primary         | 46  |   |
| Penyrheol Primary              | 46  |   |
| Plasmarl Primary               | 30  |   |
| Pontarddulais Primary          | 55  |   |
| Pontlliw Primary               | 26  |   |
| Pontybrenin Primary            | 45  |   |
| Portmead Primary               | 37  |   |
| Sea View Community Primary     | 30  |   |
| Sketty Primary                 | 63  |   |
| St. David's Primary            | 30  |   |
| St. Helen's Primary            | 33  |   |
| St. Illtyd's Primary           | 30  |   |
| St. Joseph's Cathedral Primary | 60  |   |
| St. Joseph's Primary (Clydach) | 30  |   |
| St. Thomas' Primary            | 55  |   |
| Talycopa Primary               | 30  |   |
| Terrace Road Primary           | 44  |   |
| Townhill Primary               | 60  |   |
| Trallwn Primary                | 41  |   |
| Tre Uchaf Primary              | 29  |   |
| Waun Wen Primary               | 29  |   |
| Waunarlwydd Primary            | 41  |   |
| Whitestone Primary             | 27  |   |
| Ynystawe Primary               | 24  |   |

|                  |    |  |
|------------------|----|--|
| YGG Bryniago     | 28 |  |
| YGG Bryn-y-Mor   | 37 |  |
| YG y Cwm         | 30 |  |
| YGG Gellionnen   | 39 |  |
| YGG Llwynderw    | 45 |  |
| YGG Lon Las      | 75 |  |
| YGG Pontybrenin  | 71 |  |
| YGG Tan-y-Lan    | 60 |  |
| YGG Tirdeunaw    | 77 |  |
| YGG Y Login Fach | 31 |  |

**SWANSEA COUNCIL / CYNGOR ABERTAWE**  
**SECONDARY SCHOOLS / YSGOLION GYNRADD**  
**ADMISSION NUMBERS / NIFER DERBYN**  
**2026-2027**

**IMPORTANT INFORMATION:**

\*Cwm Glas Primary, \*Morrison Primary, \*Penyrheol Comprehensive

\*Please note that the LA has recently consulted on a school organisation proposal that, if proceeds, could affect the Admission Number of these schools from September 2025. The details of the proposal, including potential impact on the schools Admission Number, can be found at

<https://www.swansea.gov.uk/schoolorganisationSTFreviewconsultation>

In the table below, for the schools noted above, we have included the lowest possible admission number (AN) for 2026 with an additional note alongside which provides the potential alternative AN dependent on the outcome of the STF proposal. Should Cabinet proceed with the proposal a statutory notice will be published in January 2025 which will confirm the agreed AN. Final determination following statutory notice is expected in March 2025. The LA will update all relevant documentation/website.

|                              |      |  |
|------------------------------|------|--|
| Birchgrove Comprehensive     | 158  |  |
| Bishop Gore Comprehensive    | 248  |  |
| Bishop Vaughan Comprehensive | 219  |  |
| Bishopston Comprehensive     | 225  |  |
| Cefn Hengoed Comprehensive   | 191  |  |
| Dylan Thomas Community       | 148  |  |
| Gowerton Comprehensive       | 211  |  |
| Morrison Comprehensive       | 244  |  |
| Olchfa Comprehensive         | 289  |  |
| Pentrehafod Comprehensive    | 230  |  |
| Penyrheol Comprehensive*     | 215* | * Please note this will increase to 219 if the STF proposal does not proceed |
| Pontarddulais Comprehensive  | 172  |  |
| Ysgol Gyfun Bryn Tawe        | 214  |  |
| Ysgol Gyfun Gwyr             | 206  |  |



# Integrated Impact Assessment Screening Form – Appendix H

Please ensure that you refer to the Screening Form Guidance while completing this form.

## Which service area and directorate are you from?

Service Area: Vulnerable Learners Service

Directorate: Education

### Q1 (a) What are you screening for relevance?

- New and revised policies, practices or procedures
- Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- New project proposals affecting staff, communities or accessibility to the built environment, e.g., new construction work or adaptations to existing buildings, moving to on-line services, changing location
- Large Scale Public Events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Services Board, which impact on a public bodies functions
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other

### (b) Please name and fully describe initiative here:

#### School Admissions Arrangements 2026-2027

Every Local Authority (LA) has a statutory duty to manage admissions to its schools. The Admission Arrangements are set out in accordance with the Welsh Government (WG) School Admission Code (July 2013) and ensure that the admissions to schools are managed in a fair and equitable manner for all pupils.

### Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)

|                                     | High Impact                         |                          | Medium Impact            |                          | Low Impact               |                          | Needs further Investigation | No Impact                           |
|-------------------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|-------------------------------------|
|                                     | +                                   | -                        | +                        | -                        | +                        | -                        |                             |                                     |
| Children/young people (0-18)        | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input type="checkbox"/>            |
| Older people (50+)                  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Any other age group                 | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Future Generations (yet to be born) | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Disability                          | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Race (including refugees)           | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Asylum seekers                      | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Gypsies & travellers                | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Religion or (non-)belief            | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Sex                                 | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Sexual Orientation                  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Gender reassignment                 | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Welsh Language                      | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Poverty/social exclusion            | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Carers (inc. young carers)          | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |
| Community cohesion                  | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>    | <input checked="" type="checkbox"/> |

# Integrated Impact Assessment Screening Form – Appendix H

|                              |                          |                          |                          |                          |                          |                                     |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|
| Marriage & civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Pregnancy and maternity      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Human Rights                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

**Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches? Please provide details below – either of your activities or your reasons for not undertaking involvement**

Section 89 of the School Standards and Framework Act 1998 and Regulation 4 of the Education (Determination of Admission Arrangements) (Wales) Regulations 2006 require Admission Authorities to consult and determine school admission arrangements annually. The Regulations set requirements for consultation and determination of admission arrangements. A compulsory consultation is undertaken annually with stakeholders (e.g. schools, headteachers, governing bodies, neighbouring LAs and other admission authorities). The LA’s Admissions Forum, which is a statutory body, also considers the admission arrangements and all responses to the consultation and makes its own recommendations. Details of the consultation and recommendations of the Forum are included when the admission arrangements are reported to Council for determination in line with statutory timeframes.

**Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:**

- a) Overall does the initiative support our Corporate Plan’s Well-being Objectives when considered together?  
 Yes  No
- b) Does the initiative consider maximising contribution to each of the seven national well-being goals?  
 Yes  No
- c) Does the initiative apply each of the five ways of working?  
 Yes  No
- d) Does the initiative meet the needs of the present without compromising the ability of future generations to meet their own needs?  
 Yes  No

**Q5 What is the potential risk of the initiative? (Consider the following impacts – equality, socio-economic, environmental, cultural, legal, financial, political, media, public perception etc...)**

High risk

Medium risk

Low risk

**Q6 Will this initiative have an impact (however minor) on any other Council service?**

Yes  No **If yes, please provide details below**

School Transport: if the school offered following the admissions process is further from the home address than 2 miles (primary school) and 3 miles (secondary school) then transport will be offered.

**7 Will this initiative result in any changes needed to the external or internal website?**

Yes  No **If yes, please provide details below**

The Admission Arrangements are published each year on the Council website.

# Integrated Impact Assessment Screening Form – Appendix H

**Q8 What is the cumulative impact of this proposal on people and/or communities when considering all the impacts identified within the screening and any other key decisions affecting similar groups/ service users made by the organisation?**

The admission arrangements are set out in accordance with the Welsh Government (WG) School Admission Code (July 2013) and ensure that the admissions to schools are managed in a fair and equitable manner for all pupils.

## Outcome of Screening

**Q9 Please describe the outcome of your screening using the headings below:**

- **Summary of impacts identified and mitigation needed (Q2)**
- **Summary of involvement (Q3)**
- **WFG considerations (Q4)**
- **Any risks identified (Q5)**
- **Cumulative impact (Q7)**

Q2: The admission arrangements ensure all admission applications are treated equally and fairly, and in line with the Welsh Government School Admissions Code (July 2013).

Q3: Compulsory consultation undertaken annually with stakeholders (e.g. schools, headteachers, governing bodies, neighbouring LAs and other admission authorities). The LA's Admission Forum which is a statutory body also considers the arrangements and any responses to the consultation, and makes its own recommendations.

Q4: Due regard has been given to the Well-being of Future Generations (Wales) Act 2015 and other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

Q5: None identified

Q7: The admission arrangements will have a positive impact on learners in Swansea by ensuring equality of access to school places.

(NB: This summary paragraph should be used in the '**Integrated Assessment Implications**' section of corporate report)

- Full IIA to be completed  
 Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

|                                      |
|--------------------------------------|
| <b>Screening completed by:</b>       |
| <b>Name:</b> Melissa Taylor          |
| <b>Job title:</b> Admissions Officer |
| <b>Date:</b> January 2025            |

|  |
|--|
| <b>Approval by Head of Service:</b>                  |
| <b>Name:</b> Kate Phillips                           |
| <b>Position:</b> Head of Vulnerable Learners Service |
| <b>Date:</b> 13.02.25                                |

Please return the completed form to [accesstoservices@swansea.gov.uk](mailto:accesstoservices@swansea.gov.uk)