



Herschel Park

**Slough Borough Council**

[www.slough.gov.uk](http://www.slough.gov.uk)

**Draft**  
**Statement of Accounts 2024/25**



CONTENTS

SECTION – 1	ANNUAL GOVERNANCE STATEMENT	Page	003
SECTION – 2	REVIEW AND STATUTORY CERTIFICATIONS	Page	021
SECTION – 3	CORE FINANCIAL STATEMENTS	Page	037
	• Comprehensive Income and Expenditure Statement	Page	038
	• Movement in Reserves Statement	Page	039
	• Balance Sheet	Page	033
	• Cash Flow Statement	Page	042
SECTION – 4	NOTES TO THE CORE FINANCIAL STATEMENTS	Page	043
SECTION – 5	SUPPLEMENTARY FINANCIAL STATEMENTS	Page	118
	• Housing Revenue Account (HRA) - Income and Expenditure Statement	Page	119
	• Statement on The Movement on The Housing Revenue Account	Page	120
	• Housing Revenue Account Notes	Page	121
	• Collection Fund Statement	Page	125
	• Notes to the Collection Fund	Page	126
SECTION – 6	GROUP ACCOUNTS AND EXPLANATORY NOTES	Page	128
SECTION – 7	GLOSSARY OF FINANCIAL TERMS	Page	139

## SECTION – 1

### ANNUAL GOVERNANCE STATEMENT

The Audit and Corporate Governance Committee approved the Annual Governance Statement as set out at the Audit and Corporate Governance Committee meeting on 23 July 2025.

## ANNUAL GOVERNANCE STATEMENT

004

### Scope of Responsibility

Slough Borough Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. In 2021 the Council was found to have failed in its best value duty under the Local Government Act 1999, which requires it to make arrangements to secure continuous improvements in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In delivering its statutory functions, the Council is responsible for putting in place proper arrangements for the governance of its affairs, which includes having appropriate systems of internal control, including arrangements for managing risk.

The Council acknowledges its responsibility for ensuring that there is effective governance within the Council and introduced a new Code of Corporate Governance being approved by Council in May 2024. This Code is consistent with the seven core principles of the CIPFA and SOLACE guidance "Delivering Good Governance in Local Government framework – 2016 Edition". A copy of this Code is part of the Council's Constitution, which is accessible on the Council's website.

This annual governance statement explains how the Council has complied with the Code in the financial year 2024/25 and sets out the areas the Council needs to focus on in 2025/26.

The responsibility for leading and directing the annual review of the effectiveness of the Council's governance arrangements and providing ongoing oversight and robust challenge lies with the Council's statutory governance officers, comprising the Chief Executive, Chief Finance Officer (s.151 officer) and Monitoring Officer and the Leader of the Council. The findings have been reported and agreed by the Audit and Corporate Governance Committee, who are also responsible for monitoring compliance with the action plan.

### What is Governance?

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

Good governance should ensure the Council is doing the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner. Good governance leads to effective

- Leadership and management
- Performance and risk management
- Stewardship of public money; and
- Public engagement and outcomes for our residents, taxpayers and service users.

### What is the Annual Governance Statement?

The Council is required by the Accounts and Audit Regulations 2015 to prepare and publish an Annual Governance Statement, to report publicly on the extent to which it has complied with its own Code of Corporate Governance, including how the effectiveness of the arrangements have been monitored and reviewed. The Annual Governance Statement is a valuable means of explaining to the community, service users, taxpayers and other stakeholders the governance arrangements and how the controls that are in place have managed risks of failure in delivering on intended outcomes.

In this document the Council:

- Acknowledges its responsibility for ensuring there is a sound system of governance;
- References the effectiveness of key elements of the governance framework and the roles and responsibilities of individuals and bodies within that framework;
- Provides an opinion on the level of assurance that the governance arrangements can provide and their fitness for purpose;
- Produces an action plan showing actions taken, or proposed, to deal with significant governance issues;
- References how issues raised in the previous year's annual governance statement have been resolved;
- Commits to monitoring implementation as part of the next annual review.

The Annual Governance Statement is normally approved in conjunction with the Council's statement of accounts for the relevant year and it will be published alongside this statement of accounts. However, the Council's accounts have historically been delayed and more recent years' accounts have not met the backstop dates leading to them not being audited. The failure to promptly close off the statement of accounts is not a reason to delay the preparation and approval of the Annual Governance Statement. Steps are being taken to align the two processes, but if this is not possible, the Annual Governance Statement will be approved by the statutory deadline, but may need to be updated once the accounts are finalised.

## ANNUAL GOVERNANCE STATEMENT (continued)

### Significant external documents published in 2024/25

During 2023/24, the Council received several reports from external bodies and its appointed Department of Levelling Up, Housing and Communities (DLUHC) commissioners, which are relevant to the effectiveness of governance arrangements:

#### July 2024 – Ofsted’s letter following focused visit

The visit focused on arrangements for children in need or subject to a child protection plan. Most children were found to receive timely and appropriate services. Areas of improvement were in relation to case reporting, quality and impact of management oversight and effectiveness and progression of plans. Workforce stability, a new quality assurance framework and an improvement plan focused on areas that will make the most difference to children were all highlighted as positive.

#### July 2024 – LGSCO Annual Complaints Report

The Local Government & Social Care Ombudsman published his annual report for the Council. Of the four cases investigated during the year, **three were received outside of the 20 days requested**. All four cases were upheld and the Council agreed to implement the recommendations. During the year, the Council implemented recommendations in five cases, but in **three it failed to evidence compliance within its agreed timescales**.

#### September 2024 – Grant Thornton issues Annual Report for 2021/22, 2022/23 and 2023/24

In September 2024, Grant Thornton wrote to the Council’s Chief Executive referencing its 2023-24 value for money work and draft annual report. This highlighted ongoing significant challenges, not least the risks of financial sustainability and effective governance in the short and medium-term. The auditors recognised that many of the issues are longstanding historical issues and current senior officers are engaging effectively.

The initial findings highlighted in the correspondence were:

- 1.The draft outturn for 2023-24 showed service **expenditure exceeding budget by £15.5m and these pressures will continue in 2024-25**.
- 2.The 2024-25 budget was approved based on an 8.5% council tax increase and savings of £12.206m, with £23.1m to be funded by capitalisation. A higher savings target was set, with an earmarked reserve, however at the beginning of the year, £6m of the £10.7m had already been committed. **Budget monitoring has indicated significant cost pressures and the MTFS needed to be refreshed in-year**
- 3.External financial reporting and the timely audit of financial statements is integral to ensuring the Council is accountable for its stewardship of public funds. **Capacity and lack of stability in senior finance officers combined with issues with records have delayed completion of accounts.**This continued delay highlights concerns over capacity, skills and governance arrangements and undermines the ability of decision makers to have confidence that decisions are being taken based on a true financial position.
- 4.In 2018-19, the auditors identified that the Council had **not produced a full and accurate bank reconciliation** and this continues to cause difficulties.
- 5.The auditors are required to consider management’s assessment of its Going Concern position. Baseline forecasts indicated that the Council was **projected to fall below its £10m minimum cash requirement** by the end of August 2024, requiring a further £30m of debt funding to maintain adequate liquidity and an estimated £65-70m of **debt refinancing in the period up to August 2025 to preserve liquidity**.
6. Ongoing challenges in the asset disposal programme have caused further financial and liquidity issues. The **original programme did not take account of the impact of impairments** on the forecast capital receipts, indicating the Council is likely to receive **less in capital receipts than its forecast, with potential exposure in the region of £43m**.
7. In May 2021 the auditors issued a statutory recommendation that the Council should review and implement effective financial governance and monitoring arrangements for Council owned companies. The Government direction required the Council to review its companies within 6 months and for those it agreed to continue, to ensure appointed directors are appropriately skilled to make sure the board functions effectively and that there is a nominated shareholder representative. There continues to be a **lack of oversight and governance of James Elliman Homes and Companies House has recently issued a notice highlighting a risk of strike off** due to failure to file audited accounts for 2022-23. For the company to be sustainable in the future a robust business plan is required that can be evidenced to provide assurance to the Council that the company has financial sustainability and can recover cumulative retained losses.
- 8.The Council is **dependent on additional financing** to provide resources and time to dispose of assets, continue to deliver savings, implement a transformation strategy and secure capacity to ensure it is effectively managed, particularly in respect of finance and other core functions.

#### October 2024 – MHCLG commissioners’ fifth report and update letter

The MHCLG appointed commissioners’ fifth report of April 2024 was published in October. Due to the delay in publication as a result of the calling of the General Election, the commissioners issued an update letter of 9 September 2024. The report summarised progress between January 2024 and September 2024.

## ANNUAL GOVERNANCE STATEMENT (continued)

006

### Key issues raised were:

- The Council has broadly been successful in recruiting to its new senior officer structure with a new, experienced interim Chief Executive and a properly resourced senior leadership cohort.
  - The Council needs to move towards and sustain a high-performance culture where members and senior officers work together to achieve good outcomes.
  - To move towards financial sustainability, the Council needs to demonstrate it can live within its means, drive down costs through efficiency and productivity improvements and deliver on its asset disposal strategy.
  - The Council needs to develop an operating model that is affordable and effective over the long term and a robust and funded transformation programme needs to be in place.
  - **The Council remains far from meeting its best value duty, with too much volatility in its financial position and little work done to design and implement a new sustainable operating model** that reflects the reality of its future financial constraints.
  - The political leadership has established generally good relationships with officers and is providing a positive environment for officers to work in. However, the **organisational leadership is not yet providing the leadership to ensure consistent delivery of agreed priorities** nor securing the pace of recovery nor change needed.
  - Continuous improvement – the **Council has not embedded a culture and system of continuous improvement**. It is not yet evident that the Council systematically takes on board feedback from staff, customers, stakeholders and independent third-party assessors. **Risk management is not integrated** into business operations and often separate from discussions about strategy and performance. There is a lack of consistency in terms of staff management, professional development and the use of appraisals to drive continual improvement. **A clear performance framework is needed** which incorporates risk, performance management and values and behaviour.
- Leadership – the **organisational leadership is not collegiate** and not providing the clarity environment or stability needed to drive improvement at pace. The effect of **high churn at senior leadership** level means there is an over reliance on interim management. The
- corporate leadership team have not collectively embraced professional development and this is evident in terms of their inability to work effectively as a team. **The Council lacks a clear mission and purpose and there is no evidence of a golden thread** of corporate objectives cascading down the organisation.
  - Governance – the Council acknowledges that its **approach to both audit and risk requires substantial improvement** and **complaints are not used systematically to improve services** and the **scrutiny function is yet to fulfil its role**. Full Council has yet to receive all the reports and assurance required to fully exercise its role overseeing all the key systems of internal control and governance and recruiting and retaining specialist staff in many of the associated area remains a significant challenge. The Council **needs to ensure an effective independent audit function** and should review its action plans for both the functioning of democratic services and scrutiny and utilise the Audit and Corporate Governance Committee to accelerate any improvements required in these areas. The Council's **approach to local authority controlled companies requires significant improvement** and it should develop proposals on ways in which the financial viability and governance of companies can be improved and demonstrate legislative and regulatory requirements are met.
  - Culture – the Council has struggled to effectively address the issue of culture change, despite several attempts to do so. **The lack of collegiate working within the corporate leadership team has been an inhibitor** to pace and delivery and **work on a new operating model and associated transformation plan has been too slow**. Whilst there has been a stepping up of staff engagement events, there has not been enough investment in planning effective engagement. **The recent staff survey demonstrated poor morale and a lack of confidence** in the senior organisational leadership.
  - Use of resources – the Council needs to ensure it performs to the required standards and rigour and is compliant with the CIPFA financial management code. The Council has **not demonstrated it can meet its asset disposal targets and deliver a debt structuring programme**. It needs to evidence it can remain stable, adaptable and effective in the short term and viable and resilient in the medium to long term in the face of pressures from growing demand, tightening funding and an increasingly complex and unpredictable financial environment. The Council has **not demonstrated it has the right mix of skills, capability and capacity to deliver the priority objectives and programmes**.
  - Service delivery – the Council **lacks a clear transformation plan or unifying direction of travel** undermining attempts to be efficient and effective. **Service planning and data gathering is inconsistent** and data and evidence not widely and systematically used. **Advances in information technology are not being harnessed** and there is no clear strategy to achieve this. **The human resources, finance and ICT functions have a long way to go** to provide the level of assistance that could reasonably be expected of them. Morale is low and the Council has yet to implement an improvement plan diligently and systematically. **The Department for Education maintains its intervention in Children's Services and escalated its intervention in Special Educational Needs** in Summer 2023.
  - Partnerships – the **Council does not have the confidence of its residents**. This goes beyond the normal reaction to a failed authority, it reflects a failure to give primacy to the needs of its residents and to facilitate engagement. **Contact arrangements and community engagement are poor** and the public is not systematically involved in monitoring performance. Improvements to the communication function have only been partially implemented. The Council is **far from providing effective leadership of place or further harnessing the talents of its partners**.
- In the update letter of September 2024, the Commissioners highlighted the following:
- There has been encouraging signs of improvement under the guidance of a new experienced interim Chief Executive and enhanced Corporate Leadership Team.
  - The **political situation remains very fragile** and there is **scope for development in terms of officer and member engagement** to drive a more strategic approach to place and recovery. The volatility in the Council's political groups is concerning and it is important that the political groups can manage their differences and work collectively in the interests of the Council and its residents.
  - There is still a degree of risk as the final years of outstanding accounts are produced and subject to audit. There **remains a budget gap within the medium term financial strategy**. A combination of market conditions and impairments make **delivery of the asset disposal plan challenging**. A new operating model is needed to demonstrate the Council can live within its means.
  - **Delivering wholesale organisational transformation is notoriously difficult** and the Council's challenging financial position and limited pool of resources heightens the risk.

ANNUAL GOVERNANCE STATEMENT (continued)

November 2024 – Secretary of State Directions

The Secretary of State issued a new direction on 20 November 2024. The Direction will remain in force until 30 November 2026 unless amended or revoked at an earlier date.

The explanatory memorandum to the Direction highlights the following:

- 1.The Council has been in intervention since December 2021. Whilst there was some progress there remains significant work to be done.
- 2.It is necessary for commissioners to continue to be appointed and to exercise certain functions. A new managing director commissioner is nominated for a period of 18 months.
- 3.In addition to original powers, the commissioners have powers to appoint and dismiss persons to position of directors of council companies (except Slough Children First), all functions associated with the Council's operating model and redesign of services to achieve value for money and financial sustainability and all functions pertaining to the development, oversight and operation of an enhanced performance management framework for officers holding senior positions.
- 4.The Council is directed to take several steps including preparing, agreeing and implementing an improvement and recovery plan, to focus delivering an effective internal audit function and reviewing scrutiny and audit functions.

December 2024 – Health and Safety Executive issues Improvement Notice for control of asbestos

On 2 December 2024, the Council was issued with an improvement notice by the Health and Safety Executive. This related to **failure to effectively manage the risk from asbestos in non-domestic premises** due to not ensuring there was an adequate record held by the appointed person of the location and condition of identified and presumed ACMs within the Council's real estate.

The notice required compliance by 28 February 2025 and the HSE has confirmed compliance has been achieved.

January 2025 – His Majesty's Inspectorate of Probation issued Inspection of Youth Justice Services in Slough

The Council was inspected by His Majesty's Inspectorate of Probation (HMIP) in September 2024, with the inspection report published in January 2025. The results of the inspection were:

- Organisational delivery (leadership, staffing, facilities) **Requires Improvement**
- The management of children serving court sentences (court disposals) **Inadequate**
- Children serving cautions or community sentences (out of court disposals) **Inadequate**

Inspectors found that whilst staff and board members were dedicated to providing quality services, **significant barriers hindered their ability to deliver necessary interventions** to support desistance and protect the public. Until recently, the work and responsibilities of the service had not been prioritised across the partnership and there was a **fragile and limited understanding of youth justice practice**. The **specific needs of children were not fully understood** by the board or wider partnership, although partners are beginning to understand what their roles and responsibilities are.

The service is committed to improving and senior managers have some insight into how ineffective many aspects of the work have been and that services fall well below where they need to be. There are some very early indicators that actions are beginning to bring about change. Progress has been hampered by a **lack of clarity across the partnership about the role and function of the service**, a limited understanding of how services and agencies needed to best work together, high turnover and changes in staffing, **vacancies in key posts** and **disconnect strategically and operationally**.

**Management capacity and training and development is too limited** and this requires urgent attention. There is very **little focus on the needs of victims** and limited understanding of its public protection responsibilities, requiring a refocus as a priority.

## ANNUAL GOVERNANCE STATEMENT (continued)

The following recommendations were made:

Slough Youth Justice Service must:

- ensure that quality assurance arrangements, oversight of practice and supervision arrangements consistently support the development of staff and volunteers
- ensure assessment activity identifies children's desistance needs and always considers how best to keep the child and the community safe
- ensure planning activity is comprehensive and that it aligns effectively with activity undertaken by other services, including activity to keep children and other people safe
- ensure staff consistently liaise with all relevant services and understand the role of partnership agencies
- provide sufficient resources, knowledge and focus on services for victims, including the use of restorative justice.

Slough Youth Justice Management Board should:

- ensure that the YJS is both sufficiently resourced and structured to facilitate the delivery of high-quality interventions for complex children and the victims of crime
- review the local implementation of the out-of-court disposal scheme to provide clarity about the scheme and the service offer, to ensure that there is a consistent decision-making and a suitable offer of help and support for children
- review the training offer for staff, volunteers and partners to provide knowledge and skills that are specific to youth justice work
- increase the knowledge and understanding of youth justice work and responsibilities at strategic and operational level

National Probation Service should:

- ensure there is effective information-sharing with the YJS to support public protection and the safety of victims

### March 2025 – Exceptional Financial Support request 2025-26

The Council submitted its exceptional financial support request in December 2024 and MHCLG responded in February 2025. This response was published in March 2025. The Deputy Prime Minister was minded to approve a capitalisation direction of a total not exceeding £15.709m. The agreement to exceptional financial support is subject to evidence of the following:

1. A refreshed MTFS, Capital Strategy, Treasury Management Strategy, aligned with the new Target Operating Model and transformation plans to establish the Council's journey to sustainability.
2. A reserves policy, detailing the forward strategy for the adequacy of reserves to support the medium to long term spending and transformation plans, known liabilities and risks, and provides resilience to future shocks.
3. A debt repayment strategy which has a clear medium to long term plan to reduce the level of external debt and associated capital financing charges, to the average for a unitary authority of Slough's size and core funding level.



## ANNUAL GOVERNANCE STATEMENT (continued)

### Significant internal audits and management information from 2024/25

There has been significant turnover of senior staff in internal audit for several years. In January 2025, the interim Head of Internal Audit left the Council, sending through an Interim Annual Audit Opinion 2024/25 covering the period April 2024 to December 2024. He did not discuss the contents with officers prior to his departure and the contents of the opinion has been considered and taken into account by the current interim Head of Internal Audit in his opinion.

However, for transparency, the main issues flagged by the former post holder are set out below:

- No internal audit opinion was produced for FY 2023/24.
- The **IA team fails to comply with some of the requirements of the mandatory PSIAS**, particularly in terms of resourcing, independence and the immaturity of the function.
- The post holder found an **absence of internal audit methodology, an absence of working papers, no audit manual, no obvious basis for audit planning and a team inexperienced in working to audit budgets.**
- **Independence challenges** – concern that the post holder is managing services which may create impairment issues and is not directly reporting to the Chief Executive.
- Concerns that audit plans, scope and audits have been hindered by the **improper involvement of officers.**
- Lack of resources in the IA team.
- Lack of an Audit Universe (a risk-assessed list of all auditable entities within the Council), a credible risk register, a credible annual audit plan or up to date organisational charts.
- Failures in governance framework, including **lack of early engagement with elected members, ineffective risk management procedures, failure to ensure appropriate internal controls, failure to ensure strong financial management arrangements were in place**, failure to flag risk of internal audit plan being undeliverable.
- Concern that senior officers requested that only executive summaries of audit reports were provided to members.
- **Large number of overdue audit recommendations** and in at least one case credible evidence being submitted of a recommendation being closed despite the existence of ongoing frauds in the area.
- Control failures including **lack of understanding of the extent and nature of external contracts**, many of high financial worth, **ineffective management of contracts, failures in terms of housing benefit claims** for residents in temporary accommodation, **failure to manage debt effectively.**
- For the period April 2024 to December 2024, **no assurance can be given that the Council's internal control and governance arrangements were operating as intended.**
- For the period April 2024 to December 2024, **limited assurance can be given that the Council's risk management arrangements were operating as intended.**

The current Interim Head of Internal Audit issued a **No Assurance opinion** and this was reported to the Audit and Corporate Governance Committee on 30 June 2025. The opinion noted the following:

- Over the last 2 years the service has gone through a **period of significant change**, including:
  - Has returned in-house from an external arrangement with an internal audit provider/contractor
  - Has had four Heads of Internal Audit
  - Has been subject to high staff turnover
  - Has become reliant on interim resources to support delivery
  - Has failed to provide an audit opinion for 2023/24
- Has failed to provide a level of coverage in 2024/25 that provides those charged with governance with assurance on controls, risk management and governance.
- There has been a **disappointing level of output** over the course of the whole year, despite recent improvements and the commitment of resource by the Council for 2025/26, therefore the ability of Internal Audit to positively impact this 2024/25 opinion is significantly limited.
- No additional safeguards are required to ensure the independence of the service and the current Interim Head of Internal Audit has experienced no issues of impairment.
- **No formal assessment, internal or external, of Internal Audit against the Public Sector Internal Audit Standards (PSIAS)** has been undertaken since the service returned in-house in 2023 and as a result no Quality Assurance & Improvement Plan (QAIP) is in place. Therefore, the service 'does not conform' to the Standards.
- Of the 12 audits completed, 6 were commenced in the 2023/24 financial year; 3 were advisory in nature; 2 were completed by a third-party IT specialist; and 1 was technically finalised in 2025/26, although all substantive work was completed in the relevant year.

## ANNUAL GOVERNANCE STATEMENT (continued)

Audits finalised in 2024/25 were reported to the Audit and Corporate Governance Committee, although some were reported in the following financial year due to the timing of meetings. In June 2025, four audits relating to council functions were reported, one was advisory, one minimal assurance and two partial assurance. On the audit of corporate memory, the scope was wide and therefore more focused service specific audits have been including in the 2025/26 plan. The two partial assurance audits and one advisory are as follows:

- **Contract Management – partial assurance** - despite the identification of a number of strengths including the establishment of a Contract Management Support Team, the launch of a Contract Management Strategy, the creation of a Central Contract Register improving oversight and transparency and good practice in some directorates, the audit identified a number of areas that could be strengthened.
  - \* The Central Contract Register is incomplete and lacks essential data capture including key performance indicators
  - \* There are inconsistencies in performance information gathering across departments
  - \* The absence of a standardised reporting framework to senior leadership limits their visibility and decision-making capabilities.

The review identified an **immediate action is needed to fully implement the Contract Management Strategy, to optimise contract governance and ensure alignment with the Council's strategic goals, safeguarding its interests and achieving compliance with the Procurement Act 2023**. A total of 10 recommendations, 5 high and 5 medium priority, have been accepted by the lead service with implementation planned up to and including 30 November 2025.

- **SEND Ombudsman Complaints** - This audit examined how the Council has addressed the recommendations made by the Local Government and Social Care Ombudsman (LGSCO) following investigations into complaints related to the Council's Special Educational Needs and Disabilities (SEND) provision. The audit provided a **partial assurance** assessment recognising a number of positive improvements that included an almost doubling of completed EHCPs since 2023; increased capacity within the SEND team; positive actions to address specific issues such as bringing in Business Support to address data management; and an improved assessment process. However, the audit did also identify a number of areas for improvement, including:
  - \* **Delays in the issue of completed EHCPs**
  - \* Linked to assessments, the **failure to obtain appropriate professional advice**
  - \* **Inconsistent communication and complaint handling**, suggesting some inadequate engagement with parents
  - \* **A lack of standardised processes and templates** A total of 8 recommendations (3 high, 4 medium and 1 low priority) have been accepted by the Service and implementation will be incremental up to 31 October 2025
- **Temporary Accommodation (Advisory)** – The Corporate Risk dashboard includes the corporate risk 'Temporary Accommodation: Failure to Provide Safe Temporary Accommodation within Budget' of which there are five subrisks: availability of cost-effective accommodation; budgetary constraints; compliance with regulatory requirements; attraction and retention of talent; and failure to increase TA rental income. In response to corporate and operational risks identified, the Housing, Property & Planning Directorate has developed a Housing Service Improvement Plan (HSIP) that contains five work streams one of which covers TA & Homelessness. In addition, a separate outcome tracker spreadsheet has been developed that monitors progress in addressing relevant risks. The HSIP remains under development and is expected to be signed off in the first quarter of 2025/26.

The audit review found the following risks had not been included in the HSIP that was presented for review meaning there is a risk that progress on addressing identified risks is not subject to effective management review and scrutiny:

### **TA & Allocation structure not fit for purpose**

**Suitability of accommodation reviews not undertaken;**

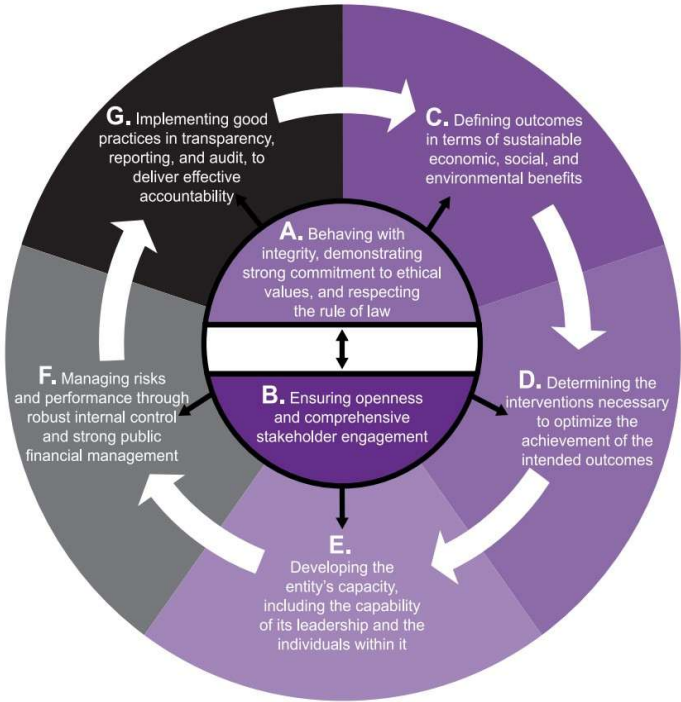
**Lack of 'fit and proper person' checks** on private sector landlords who currently provide TA to the council; and

**Lack of effective management information** reporting functionality.

Management has accepted this and incorporated into a revised HSIP. Whilst progress has been made in areas such as developing private sector lease agreements that contain responsibilities of the provider in meeting compliance standards, there remains **more work to be done in areas such as undertaking suitability of accommodation reviews**. A risk-based opinion audit will be undertaken in 2025/26 to assess the effectiveness of mitigating controls in place to address corporate and operational key risks relating to the provision of safe and cost-effective Temporary Accommodation (TA) services.

What is the Council's Governance Framework

The Council has adopted the seven core principles of good governance set out in the CIPFA/ SOLACE framework in its Code of Corporate Governance.



## ANNUAL GOVERNANCE STATEMENT (continued)

### Review of Effectiveness 2024-25

#### CORE PRINCIPLE A

Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

##### Sub Principles

##### Behaving with integrity

##### Assessment of the effectiveness of key elements of the council's governance processes during 2024-25

- At a member level, the **Standards Committee meeting was cancelled in October 2024**, only meeting for the first time in the municipal year in March 2025. In March, the committee determined a member complaint from October 2023, finding that the Code of Conduct had been breached and that censure was warranted.
- A member survey was conducted in December 2024, with results reported to the Standards Committee in March 2025. **Members were split on whether there was a healthy culture and good ways of working overall.** The majority of members felt confident in the standards regime, although some were less confident about this or that a whistleblowing issue would be investigated.
- The Standards Committee in March received annual updates about member code of conduct complaints, whistleblowing, gifts and hospitalities and register of interests. The member development programme was also discussed and a member working group set up to progress this.
- In December 2024, a member officer relations session was run attended by CLT officers and cross-party members. The intention is to continue with these in person sessions to build relationships and understand roles and responsibilities.
- This area is generally rated as met or partially met by directorates.
- The corporate induction process references the Nolan Principles, and these have been interpreted and translated into service planning, for example DDaT have set principles based on trust and value for money and children's services have values linked to children being happy, safe and loved and thriving.
- A staff survey was undertaken in 2024 with results reported to CLT and to the Employment Committee in April 2025. There are individual workforce strategies in place for some directorates and Slough Children First and a corporate strategy was submitted to Employment Committee for review in April 2025.
- HR has reviewed the appraisal process, and the end of year review references the Nolan Principles. In addition, many staff are regulated by their professional bodies, which include similar principles around honesty and integrity.
- There is **still a high reliance on agency workers in some directorates** and increased risk due to this.
- **Mandatory training rates need further attention.**
- The **new approach to appraisals is still relatively new and a full year assessment has not yet taken place to fully evidence effective performance management.**

##### Demonstrating strong commitment to ethical values

- The Audit and Corporate Governance Committee has received updates on counter fraud activity and an annual report on complaints.
- The Code of Conduct for Members is based on the LGA Model Code and members received an update on the Government proposals on standards and the LGA response. Group leaders have agreed to work together on a new member pledge on inclusive leadership with a view to this being presented to Annual Council in May 2025.
- The Council reviews its constitution throughout the year and conducts an annual housekeeping check. In relation to the ethical framework, a new statutory governance officer protocol is due to approval in April and the whistleblowing code was subject to an annual review.
- The Contract Procedure Rules were reviewed and updated to meet compliance with the Procurement Act 2023 and new templates and training was delivered to officers.
- This area was generally rated as fully or partially met by directorates.
- Statutory services such as adult social care and children's social care have systems in place to audit case work. In addition, they are subject to external inspection by regulatory bodies.
- HR management information on disciplinaries and grievances are being reported to CLT.
- Whilst systems and processes are in place, there is **more work to ensure that ethics are considered in procurement processes and there is robust contract management when services are delivered by third parties.**
- Some services have business or service plans which link to regulatory or legal requirements, for instance the legal practice has a 3-year business plan and Slough Children First has an approved business plan setting out its priorities to meet its statutory duties. However, **service planning in other directorates is less established.**
- Staff networks are in place with CLT sponsors and staff survey results indicate positive results in relation to belonging and diversity.

##### Respecting the rule of law

- The Council's Constitution is regularly reviewed and the list of significant officer decisions updated and moved to the Officer Scheme of Delegation in the Constitution. Significant officer decision reports are published by democratic services, however there is **no system in place to check compliance with the system** – an audit has been included in the 2025/26 Audit Plan.
- There is a **template for internal schemes of delegation and versions are kept by democratic services, however it is unclear whether these are all up to date.**
- A new statutory governance officer protocol has been approved for inclusion in the Constitution and these officers are supported by deputies and have access to legal advice. There are regular meetings between the statutory governance officers.
- The member report clearance process advocates early involvement of legal (and finance) and clearance of all cabinet reports and key reports for other committees. There are still **situations when reports are submitted late, a lack of early engagement and on multiple occasions reports are being published after the statutory deadlines** (there are multiple reasons for this, including queries raised by the commissioners after officer clearance).
- Many council staff are professionally qualified and are expected to adhere to regulatory standards. These directorates tend to have robust processes in place to support registration and requirements for continuing professional development links to legislative and other legal requirements.
- Some teams have introduced internal training or events in addition to corporate training. For instance the DDaT directorate holds a "safety and belonging" session at the beginning of major team events, sharing best practice on key aspects such as information security and health and safety.
- In teams delivering statutory functions, there is effective continuing professional development and compliance is prioritised in budget setting.
- Front line services such as refuse collection can evidence knowledge of regulatory and legislative requirements by virtue of officers bringing matters to the attention of senior officers, evidencing knowledge and adherence to escalation procedures.
- Internal boards are in place to monitor risk, procurement and information governance, however reporting into CLT is in its infancy. The risk board is reporting to CLT and there is a DDaT update to Assurance CLT, but there has been **limited reporting from the procurement board.** A historic external review of procurement raised issues with the procurement review board, which appears to focus on procurement and commercial officers reviewing business cases, as opposed to a **more proactive and strategic discussion to help with delivery of the business case.**



## ANNUAL GOVERNANCE STATEMENT (continued)

### CORE PRINCIPLE B Ensuring openness and comprehensive stakeholder engagement

Sub Principles	Assessment of the effectiveness of key elements of the council's governance processes during 2023-24
Openness	<ul style="list-style-type: none"> <li>Performance and budget reports are taken to Cabinet and update reports on key areas of improvement are also reported in public. However, this is <b>not always consistent, for instance quarterly reports are taken on SEND improvement, but limited reporting on housing service improvements.</b></li> <li>There is a commitment to <b>resident engagement, but how it is deployed is not always consistent</b> and there are different policies and arrangements in different directorates.</li> <li><b>Compliance with FOI is not currently reported as part of CLT assurance.</b></li> <li><b>Significant officer decisions are published, however there is no system in place to monitor compliance.</b> An internal audit is planned for 2025/26 to address this.</li> <li>The Council publishes its Pay Policy, which is approved at Full Council and decisions to create roles at salaries over £100k and severance packages over £100k are subject to a vote at Full Council.</li> <li>There was an even split between assessing this as partially or fully met in directorates. Those services rating this as met referenced a "no surprises" culture, with co-production and engagement at the heart of activities. They could also reference member level reports on strategies and performance.</li> <li>Those directorates engaged in statutory consultation could evidence how results were taken into account and decisions reported in significant officer decision reports.</li> <li>Improvements required include addressing <b>gaps in compliance with the LGA Transparency Code</b>, which have been identified by the newly set up Information Governance Group. <b>This includes a failure to have a comprehensive contracts register, details of expiry dates for current contracts or KPIs. This failure is now more critical given the additional requirements of the Procurement Act 2023.</b></li> <li>The <b>website and other publicly accessible sites are flagged for review, including development of new resources for items such as the JSNA to support information sharing.</b> Whilst a new local offer had been produced by the education service, more work is being undertaken on information about other services in the directorate.</li> <li>There are <b>some concerns expressed about whether the correct governance processes are being followed, whether recommended decisions are supported by adequate evidence and whether advice is sought early enough in the process.</b></li> </ul>
Engaging comprehensively with institutional stakeholders	<ul style="list-style-type: none"> <li>Formal partnerships are constituted, however an inspection of the youth justice services identified <b>failures in relation to the operation of the Youth Justice Board. The Youth Justice Plan has not been submitted for approval by Full Council for several years.</b></li> <li><b>There is limited evidence of external review to demonstrate quality and compliance for statutory partnerships.</b></li> <li>The Corporate Improvement Scrutiny Committee undertook a task and finish group in relation to engagement with the voluntary, community and faith sector in relation to services for children and young people.</li> <li>The <b>Community Safety Partnership Plan was reported for approval by Full Council, however this was delayed and after it had been published on the Council's website</b>, which flags a concern about governance of the statutory partnership.</li> <li>The majority of directorates assessed themselves as fully meeting this standard. Evidence included strong co-production networks and being members of networks at local and national level. For example in public health, there are formal partnership across the ICS footprint and regular meetings with health leaders on a county and regional basis. This informs joint commissioning decisions.</li> <li>In the environment directorate, engaging with local businesses and statutory partners was a key aspect of business and key agencies are proactively chased to ensure their views are communicated and taken into account</li> <li>There is more <b>work to be undertaken on a consistent approach to stakeholder engagement, mapping and analysis</b> and this will be an area of focus in the service plans for 2025/26.</li> </ul>
Engaging with individual citizens and service users effectively	<ul style="list-style-type: none"> <li>Whilst there is a <b>commitment to resident engagement, how this translates into action is not consistent across the organisation.</b></li> <li>There is a new equality plan and six equality objectives, informed following public consultation.</li> <li>There are bespoke policies for key groups, including children and young people, tenants and leaseholders and service users in adult social care.</li> <li><b>The JSNA is not regularly used to inform decision-making.</b></li> <li>The majority of directorates assessed themselves as only partially meeting the principle of effective engagement with individual citizens and stakeholders.</li> <li>The adult social care and public health directorates could point to significant evidence of engagement from strategy development, communication campaigns through to assessments, reviews and complaints. Participation with children and young people is seen as a strength via formal forums such as the Youth Parliament, SEND Youth Forum and Young Commissioners, however <b>further work is needed to fully embed co-production and partnership working with families.</b></li> <li>An identified area of improvement is engagement with residents on digital tools, with work underway on user experience and additional analytics tooling in the pipeline. There is also an identified <b>need to improve processes within the contact centre to ensure a more streamlined and effective response to service queries.</b> As the Council agrees its approach to "front door" service delivery, it will need to <b>ensure its staff are properly trained and supported to meet the needs of residents.</b></li> <li>There is regular reporting to CLT and annual reporting to Audit and Corporate Governance Committee on complaints, including reporting on learning and themes and a review has taken place of complaints policies and improvements have been made in early resolution of complaints. However there has been an <b>increase in upheld ombudsman complaints in SEND and in failure to adhere to ombudsman timescales, including in relation to agreed recommendations.</b> <b>There is analysis of complaint and member enquiries in some directorates, but there is a lack of strategic framework to link this data to service improvements.</b></li> </ul>

### Assessment of the effectiveness of key elements of the council's governance processes during 2023-24

- There is a corporate plan and priorities have been reviewed by CLT and Cabinet.
- The performance reporting aligns with the corporate plan priorities.
- In general policies and strategies are approved at a member level and where these lack detailed action plans, update reports have been taken to show progress.
- There is a **lack of framework to capture and review key strategies, including ensuring that the policy framework and other statutory strategies, plans and policies are approved, reviewed and refreshed on a regular basis and approved at the correct level.** The updated budget and policy procedure framework rules are due to approval by Full Council in May 2025.
- The majority of directorates assessed this as only partially met.
- The staff survey results were lower in relation to **staff understanding the Council's vision** and many directorates **do not have service plans linking corporate priorities to individual objectives.**
- Those teams with service or business plans were able to evidence alignment and delivery, for example public health have corporate and partnership KPIs in place developed collaboratively with stakeholders. SCF have contractual KPIs and these have been reviewed by scrutiny and reported to Cabinet.
- Some services had **management information for more transactional services, but without service plans these are not set within a strategic framework setting outcomes for each service.**
- **Discussions on key strategic frameworks, including those that require input on a cross-council basis are not always happening at CLT.**
- There is a **capital programme and capital monitoring board, however the procurement pipeline report indicates that there is more work to be undertaken to ensure that commissioning options are considered at an early stage to inform a well-run procurement process and to consider opportunities to optimise social, economic and environmental wellbeing**
- HRA 30 Year Business Plan and 5 Year Capital Programme reviewed annually. **On occasions proposals are brought that are outside the approved plan with a lack of rationale as to why they had not been identified earlier.**
- Member level decision-making reports have sections on environmental and equality implications as well as reference to corporate parenting. This allows for consideration on wider impact. Equality impact assessments are sometimes completed and appended.

There is a capital programme and capital monitoring board, however the procurement pipeline report indicates that there is more work to be undertaken to ensure that commissioning options are considered at an early stage to inform a well-run procurement process and to consider opportunities to optimise social, economic and environmental wellbeing

- HRA 30 Year Business Plan and 5 Year Capital Programme reviewed annually. On occasions proposals are brought that are outside the approved plan with a lack of rationale as to why they had not been identified earlier.
- Member level decision-making reports have sections on environmental and equality implications as well as reference to corporate parenting. This allows for consideration on wider impact. Equality impact assessments are sometimes completed and appended.
- Assessment was split between partially and fully met by directorates. Reference was made to impacts being considered in business cases and equality impact assessments being undertaken, and the processes in place to support member level decisions clearly assist to evidence consideration. Public health referenced monitoring of commissioned services including monitoring of equality of access, experience and outcomes.
- The legal practice referenced internal training on equality and analysis undertaken of its workforce, alongside access to case reports, benchmarking data and litigation risk reporting.
- HR referenced equality impact assessments being undertaken when restructures are proposed and data on recruitment exercises.
- The environment directorate saw this as part of the everyday work bearing in mind the services covered and could evidence key outcomes for improved recycling, reduced traffic congestion and improved air quality.
- Significant improvements have been made to risk management, including a new risk board, a new risk lead, enhanced reporting to CLT on risk. However, there is still a **need for an updated risk strategy and management of risk is not always consistent across the directorates.**
- Social value included in contract procedure rules and in business case templates.
- A new Equality Plan has been agreed and reported to Cabinet and Full Council to support the six equality objectives already approved.
- Assessments were split between not met, partially and fully met by directorates. Those directorates who assessed themselves as fully meeting this principle referenced assessments being undertaken, mandatory and other training, equality matters being regularly discussed and diversity being celebrated, the corporate equalities board and positive staff survey results. Those directorates who assessed themselves as partially meeting this referenced **assessments taking place late in the process** as opposed to driving the decision and the lack of equality action plans.
- This was felt to be a less well-developed area both in terms of staff awareness and plans. Assessments are undertaken for at least some policy decisions taken at member level, but the **quality of such assessments are variable in quality and impact.**

- Assessments were split between partially and fully met, with one not met, by directorates.
- Reference was made to the new corporate equalities board and assessments being undertaken where required, but that this is **not always fully embedded into major projects**. Data is held on service users, however this **does not yet translate into an equality action plan or service plans in a planned and consistent way**. In some more front line directorates **staff awareness of equality, including equality plans is poor**.
- There is a renewed focus on utilising the expertise of the staff networks and the staff survey provides evidence that staff feel confident being themselves at work and a sense of belonging. Officers tasked with addressing health inequalities could evidence joint working with partners to address these.
- The LGA Peer Review was referenced as a way of reflecting and informing development of practice.

## ANNUAL GOVERNANCE STATEMENT (continued)

### CORE PRINCIPLE D - Determining the interventions necessary to optimise the achievement of the intended outcomes

<b>Sub Principles</b> <b>Determining interventions</b>	<b>Assessment of the effectiveness of key elements of the council's governance processes during 2023-24</b> <ul style="list-style-type: none"><li>•Cabinet reports have an options section in all reports. The level of detail and quality of the options appraisal depends on the nature of the decision, however there are <b>relatively few detailed business cases to support major project proposals</b>.</li><li>•For key service changes, the Council has consulted – examples include the council tax support scheme and library proposals. The Council undertook some limited consultation on the budget proposals and there was limited response on proposed changes to Adult Social Care charges.</li><li>•Engagement with key service users is stronger in some directorates, including adult social care.</li><li>•The Council <b>does not have a culture of early engagement with ward councillors</b>, however there is good engagement for traffic and transport related proposals.</li><li>•There is a new design authority which was tested out during the budget process, however it requires consistent attendance and high-quality business cases to work as intended.</li></ul>
<b>Planning interventions</b>	<ul style="list-style-type: none"><li>•The <b>CISC did set up a task and finish group on the budget, however it did not formally report to the committee or cabinet until after the budget setting process had completed</b>.</li><li>•The digital, data and technology team could evidence effective processes to assess options via business case processes, however work has focused on internal systems and it is intended this will more to more resident facing interaction in the future.</li><li>•<b>Use of data and analysis is generally considered limited</b> and there are limited central resources to support with this.</li><li>•Work is being undertaken to analyse data in the customer service centre to really understand the issue from the resident's perspective and to seek to use this information to redesign services.</li><li>•There is a published forward plan of key decisions and an internal corporate schedule feeding into this, however there is a lack of detail on decisions to be made beyond the next couple of months.</li><li>•There is a performance management framework and KPIs are used to inform staff performance management. Reports are taken quarterly to Cabinet.</li><li>•The budget cycle led to a draft budget in November and an updated report in January. Monitoring reports are taken quarterly to Cabinet. Reporting includes update on revenue, capital and treasury management. The Council has a MTFS, although like many other authorities, <b>financial sustainability is an issue</b>.</li><li>•Increased staff engagement has been a focus of the new leadership team. Staff survey feedback indicates that staff do not feel connected to or understand the vision and this is a focus of activity.</li><li>•The council has removed the expenditure control panel process, providing more accountability to directorates, however there <b>remains significant risk of overspends and liabilities not been accounted for</b>.</li><li>•Risk management arrangements have improved and urgency and emergency procedures are generally limited and used appropriately. Use of these procedures are reported to Full Council quarterly.</li></ul>
<b>Optimising achievement of intended outcomes</b>	<ul style="list-style-type: none"><li>•<b>Service planning is not used consistently</b> meaning there is a disjoint between the MTFS and service priorities. The new operating model is seen as a means to align financial management and service delivery.</li><li>•The <b>approach to business cases is inconsistent</b>, with some directorates, such as DDaT seeing a rigorous approach as a strength, ensuring that discussions about prioritisation of resources can take place.</li><li>•<b>Social value is not seen to be embedded into business planning</b>.</li><li>•CLT discussions have taken place on priorities and how to best used limited resources and grant funding. For example it is recognised that more resource was needed in emergency planning and internal audit and investment has been forthcoming, albeit sometimes only on a temporary basis.</li></ul>

## ANNUAL GOVERNANCE STATEMENT (continued)

016

### CORE PRINCIPLE E - Determining the interventions necessary to optimise the achievement of the intended outcomes

Sub Principles	Assessment of the effectiveness of key elements of the council's governance processes during 2023-24
Developing the entity's capacity	<ul style="list-style-type: none"><li>• The majority of directorates rated this as partially met, flagging that capacity was a challenge, with difficulties in recruitment in key areas. Effort was being put into training programmes, but they take time.</li><li>• <b>Not all directorates had evidence of external reviews or benchmarking</b>, however DDaT referenced an LGA peer review and the use of external advisors to benchmark services.</li><li>• Some directorates referenced the existence of an asset register and regularly reviews. For land assets, there has been an increase in work on strategic asset planning and disposals of surplus assets. The Council over the past 12 months has undertaken significant due diligence around its General Fund Fixed Asset Register and has comprehensively scrutinised internal records, Land Registry Files and other 3rd part data basis to ensure an accurate as possible picture of the Portfolio.</li><li>• As a condition of this asset stock review included reviewing and analysing asset and insurance valuations highlighted that <b>a number of assets being held on the books had not been accurately accounted for and therefore the underlying overall asset values were less than being stated.</b></li></ul>
Developing the entity's leadership	<ul style="list-style-type: none"><li>• <b>A high reliance on agency workers</b> was flagged by some directorates, although there were workforce plans in place to address this.</li><li>• There was a <b>lack of evidence that partnerships and collaborative working were key considerations when considering resources</b>, although networks do exist and provide some benchmarking evidence. Services that were or had been part of a shared service could evidence joint approaches, for example public health consider joint delivery approaches when considering service delivery and programmes.</li><li>• There is an up-to-date member officer relations protocol and training undertaken to support members to understand officers' roles and responsibilities.</li><li>• Internal schemes of delegation are maintained by democratic services, however assurance is required that these are kept up to date and accurate.</li><li>• Training has been undertaken with officers on the extent of their delegation and governance is incorporated into the induction, however with high turnover of staff a new programme is being launched in 2025/26.</li><li>• There are examples of <b>members seeking to involve themselves in operational matters</b>, however most members are responsive to advice on their roles and responsibilities.</li><li>• There was a balance between directorates rating themselves as meeting or partially meeting this principle. Officers could evidence regular briefings with lead members and monitoring of staff performance management, including mandatory training, appraisals and one to ones. There is <b>concern that routine matters are escalated up too frequently, which may indicate a culture where more junior officers do not feel empowered to make decisions. In addition the message from lead members does not always accord with the message from senior officers in terms of early engagement and discussion.</b></li><li>• Key HR data is presented to CLT and more recently to the Employment Committee. A new corporate workforce strategy is in place. Managers are being supported through leadership and coaching training.</li><li>• Several directorates referenced involvement of ward councillors where issues impact a particular locality, however this is likely to be an area of improvement to ensure a consistent approach.</li><li>• Appraisal setting data is good for the new financial year. However there is not yet a <b>quality assurance system in place to identify whether the appraisal system is linking to effective learning and development plans</b> for staff.</li><li>• Sickness absence data is incorporated into reporting to CLT, however detailed reporting needs to be considered at DLTs as the needs and issues in each directorate are likely to be different.</li><li>• <b>More work is required on succession planning</b>, with some directorates flagging the need for talent mapping and active succession plans.</li></ul>



## ANNUAL GOVERNANCE STATEMENT (continued)

### CORE PRINCIPLE E - Managing risks and performance through robust internal control and strong public financial management

#### Sub Principles Assessment of the effectiveness of key elements of the council's governance processes during 2023-24

<b>Managing risk</b>	<ul style="list-style-type: none"> <li>•The <b>internal audit function has seen significant churn in recent years</b>, including the Head of Internal Audit. There was no internal audit opinion for 2023/24 and the current interim officer has only been in post in the latter part of the year, which limits his ability to give a full opinion.</li> <li>•The previous interim Head of Internal Audit provided an opinion for the period April 2024 to December 2024 which is referenced above.</li> <li>•There has been <b>limited audit activity during 2024/25</b>, however the new internal head of internal audit reported to Audit and Corporate Governance Committee in February 2025, seeking approval for an interim plan for the remainder of the year and conducted a self assessment against the PSIAA. He has produced an audit plan for 2025/26 and a new internal audit charter for 2025/26. However, there has been a <b>lack of completed audits in the year to base any assessment on</b>.</li> <li>•There <b>remain outstanding audit actions from previous years</b>, however directorates have made significant progress in closing these down and have reported to Audit and Corporate Governance Committee in a transparent manner.</li> <li>•Updates on progress against the AGS action plan now align to external auditor recommendations and are presented to Audit and Corporate Governance Committee for information and discussion.</li> <li>•<b>Emergency planning and business continuity has been flagged as a corporate risk</b> and interim resources have been procured to support with this. There is <b>no corporate system in place to annually test business continuity plan</b>, although work is being done to support with this.</li> <li>•There is a corporate health and safety board and updates have more recently been provided to CLT on risks and issues. However the HSE issued an improvement notice regarding asbestos and this had not previously been reported as an area of concern.</li> <li>•The majority of directorates have rated this as partially and in one case not met. Directorate risk registers were in place and feeding into the corporate risk register and service managers in general appear to have a good operational understanding of risk, but the <b>corporate risk system is still in its infancy</b>. Business continuity is an area flagged as needing reviewing and embedding, despite plans being in place in several directorates.</li> </ul>
<b>Managing performance</b>	<ul style="list-style-type: none"> <li>•There are corporate performance reports and CLT / Cabinet receive regular updates. However reporting is driven by a corporate team, as opposed to owned by each directorate.</li> <li>•<b>Data collection and analysis is seen as an issue in some directorates</b> and member level reports do not always contain details options appraisals, benchmarking data or other management information to justify the decision.</li> <li>•Members involved in scrutiny have access to performance data and hold workshops to identify topics of focus. However it is <b>not always clear how these scrutiny topics link to performance or risks</b>. There is an option for Audit and Corporate Governance Committee and Corporate Improvement Scrutiny Committee to work together to identify the risks that may justify scrutiny work.</li> <li>•The majority of directorates assessed this as met. Performance was regularly discussed at directorate meetings and in some directorates benchmarked with statistical neighbours. There is a corporate performance report linked to the corporate priorities, however this is not consistently aligned to service planning. This will be a priority in 2025/26</li> </ul>
<b>Robust internal control</b>	<ul style="list-style-type: none"> <li>•The system of internal control has been the subject of actions and improvement recommendations in the past. The former head of internal audit's opinion rated this as having no assurance, although he rated risk management as being slightly better with limited assurance.</li> <li>•There is a risk management board, reporting to CLT and public reporting on risks is now more detailed.</li> <li>•There are counter fraud and anti-corruption arrangements in place. There is now more regular reporting to Audit and Corporate Governance Committee and CLT. There is work to do to ensure the focus is on prevention and culture as well as detection and enforcement.</li> <li>•There is now better reporting on auditor recommendations, but still a long way to go to show compliance.</li> <li>•Work has more recently been undertaken to ensure the internal audit plan is appropriately risk based and adding value, but this is from a low base.</li> <li>•There was a balance between directorates rating this as met or partially met. The agreed internal audit plan was not delivered in 2024/25 and late in the year a high level plan was presented focused on sprint and full audits to inform the Head of Internal Audit opinion. The lack of auditing activity is a key risk as the Council does not have that vital form of independent assurance.</li> <li>•The corporate risk strategy has not been recently reviewed and the corporate risk arrangements are relatively new and not yet embedded. In some directorates, the risk register needs to be further developed to increase awareness and monitoring of known risks.</li> </ul>

ANNUAL GOVERNANCE STATEMENT (continued)

Managing Data	<ul style="list-style-type: none"><li>• There is an established Information Governance Board, which reports into CLT. The Director of DDaT brings updates to Assurance CLT on ICT matters. However there is <b>limited corporate reporting on compliance with FOI or SAR requests.</b></li><li>• Reports have been presented to Audit and Corporate Governance <b>Committee on historic internal audit recommendations and on key risks</b></li><li>• Directorates rate this as met or partially met. Those directorates with bespoke case management systems are confident about the integrity of these systems. The Information Governance Group oversees implementation and reviews data privacy impact assessments and data breaches.</li><li>• <b>Capacity issues have been flagged hindering compliance with FOI and SARs.</b></li><li>• There is limited assessment of information governance in relation to physical documents. The legal practice references the use of DX as a secure means to delivery. There have been <b>issues with retention of physical deeds in the past and the Council does not have a comprehensive contracts register or copies of all contracts.</b></li><li>• Some directorates have referenced the need for bespoke training on information management. Others have referenced further work being needed regarding analysis of breaches and near misses.</li></ul>
Strong public financial management	<ul style="list-style-type: none"><li>• There is an internal scheme of delegation linked to constitutional thresholds, including financial procedure rules.</li><li>• The lack of audited accounts from previous years remains a concern and there are <b>still accounting issues being identified, in some cases having a material impact on accounts.</b></li><li>• Quarterly reports are taken to Cabinet on budget monitoring and management. More regular reports are presented to CLT. The reports <b>highlighted significant risks in terms of balancing the budget and reliance was placed on one off savings.</b></li><li>• <b>Financial management is not yet integrated into service delivery. Savings plans are not always supported by detailed business cases</b> and a history of failing to deliver on savings could indicate a lack of planning. This has been addressed by the setting up of a Design Authority, but it is in its infancy.</li><li>• Directorates rate this as met or partially met. There is improved reporting on budgets at DLTs, however there are still <b>issues with access to accurate data.</b> Some directorates have flagged that they would benefit from bespoke training in financial management.</li><li>• The finance directorate has a detailed finance improvement plan as part of the Council's improvement journey and this is aimed at improvement financial management, understanding, resilience and sustainability.</li></ul>

ANNUAL GOVERNANCE STATEMENT (continued)

CORE PRINCIPLE G Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Sub Principles	Assessment of the effectiveness of key elements of the council's governance processes during 2023-24
Implementing good practice in transparency	<ul style="list-style-type: none"><li>Report quality has improved over time, however there are still <b>some reports that are overly long and quite technical in nature</b>. The report template and guidance should assist officers, however the lack of clarity in reports appears to sometimes relate to a <b>lack of discussion or early engagement corporately</b>.</li><li>Officers appropriately consider what information can be put in the public domain and what needs to be kept confidential, applying the legal tests, including the public interest test to assure it is justifiable to keep information in an exempt appendix.</li><li>Directorates were more likely to rate this as met than partially met. Directorates referenced reliance on corporate teams to support report quality and a need for better quality assurance processes. Directorates referenced the need for a balance between transparency and readability, particularly when dealing with technical information and that transparency should be the priority.</li><li>Directorates were more likely to rate this as met than partially met.</li></ul>
Implementing good practices in reporting	<ul style="list-style-type: none"><li>Quarterly performance reports are taken on corporate performance indicators and budget management.</li><li>In some directorates, service delivery updates have been taken, particularly where a directorate is under intervention or has a specific improvement plan in place.</li><li>The AGS process has improved over time, from a place where it did not properly reflect the reality of the organisation and was not produced or published in a timely manner to a place where each directorate is inputting into the assessment and regular updates on progress are presented in public to the Audit and Corporate Governance Committee. The AGS is also aligned with external auditor recommendations and used by officers leading on improvement work to ensure it is seen as a key part of the cycle of continuous improvement.</li><li>The Council works well with its external auditors, however <b>delays in closing previous years' statements of accounts have led to multiple years of accounts not being audited</b>. The Council works with the external auditor on its value for money assessments, however in the past there has <b>not been an effective system of reporting in public and to external auditors on progress against these recommendations</b>. This has been addressed by aligning the external auditor recommendations to the AGS action plan.</li><li>Directorates were more likely to assess this as met than partially met. <b>Not all directorates could evidence external reviews or formal self assessments</b>, but DDaT referenced an LGA peer review in Spring 2024 with progress reported to Cabinet, the Legal team an annual Lexcel accreditation and previous Cabinet reports,</li><li>The Environment directorate referenced the <b>need for a proper performance report to be developed to be reported to CLT and members in future</b>. The Finance directorate referenced an ongoing CIPFA Financial Management Code review and development of an action plan to be included in the Financial Improvement Plan.</li></ul>
Assurance and effective accountability	<ul style="list-style-type: none"><li>Regular reports are taken to Audit and Corporate Governance Committee on internal audit activity and this year, directorate reports have been presented updating on overdue recommendations.</li><li>The Council has experienced frequent changes in personnel at senior level in internal audit and issues have been raised about resourcing and independence. However, CLT has been engaged with preparation of the internal audit plan and received regular updates on audit activity and outstanding recommendations and all directors have been engaged in addressing this.</li><li>The Council is generally welcoming of peer challenge and external reviews and inspections. Reviews have been commissioned from sector leaders such as the LGA and CfGS, as well as engagement with regulators. Inspection outcomes have been presented in public with written actions plans.</li><li>For services delivered by third parties, contracts generally have open book accounting provisions which would allow the Council's internal audit team to access data and information and no issues have been raised in relation to lack of access to data. Legal advice has been provided to the former Head of Internal Audit setting out the legal basis for accessing information.</li><li>Governance arrangements for partnerships have improved, however there is limited external assurance on this. <b>Partnership activity is still not consistently reported to members in public and in the past strategies have not been approved by the correct member body</b>.</li><li>Directorates generally rate this as met, evidenced by regular engagement and responses to internal audit and external reviews. The HR function has recently increased its reporting to the Employment Committee.</li></ul>

### Key roles of those responsible for developing and maintaining the Governance Framework

The Council	Approves Policy and Budget Framework Approves the Constitution Elects Leader and sets terms of reference for committees, including appointing chairs for committees.
Cabinet	Makes most policy and strategic level decisions. Each lead member has a portfolio responsibility, but no single decision making permitted except by the Leader under urgency provisions.
Audit and Corporate Governance Committee	Provides independent assurance to the Council on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control environment. Approves or recommends to Council annual statement of accounts and annual governance statement
Standards Committee	Promotes high standards of member conduct and ethical framework
Overview and Scrutiny function	In 2022/23 there was a main Overview and Scrutiny Committee and three panels without overall responsibility for reviewing the Council's policies and holding Cabinet members and officers to account for performance.
Corporate Leadership Team	Implement policy and budgetary framework set by the Council and policies and strategies set by Cabinet. Provide advice to Cabinet and other member forums on the development of future policy.
Statutory governance officers	Chief Executive – Head of Paid Service Executive Director Finance and Commercial – Chief Finance Officer / s.151 officer Monitoring Officer Have specific statutory responsibilities and duty to report issues relating to staffing structure, adequacy of financial arrangements and contraventions of law or maladministration.
Internal Audit	Provides independent assurance and annual opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework. Delivers an effective programme of risk based audit activity, including counter fraud and investigation activity. Makes recommendations for improvements in the management of risk.
External Audit	Audit, review and report on the Council's financial statements, providing an opinion on the accounts and use of resources, concluding on value for money. Has the right to make statutory recommendations and issue a public interest report.
Managers and staff	Responsible for developing, maintaining and implementing the Council's governance, risk and control framework. Contribute to the effective corporate management and governance of the Council by use of professional skills and knowledge.

### Assurance Statement 2024-25

We have reviewed the Annual Governance Statement for 2024-25 and to the best of our knowledge, the governance arrangements, as defined above and within the Council's Code of Corporate Governance, have been effectively operating during the year with the exception of those areas identified in the appended action plan. The Council still has significant improvements to make to its governance arrangements and its historic record keeping and lack of corporate memory in some directorates mean that there may need to be further updates to this statement as the process of approving historic statements of accounts progress. 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 and will monitor their implementation and operation during the year and as part of our next annual review.

Position	Signed	Date
Leader		
Head of Paid Service		
Monitoring Officer		
Chief Finance Officer		



## SECTION – 2

### REVIEW AND STATUTORY CERTIFICATIONS

DRAFT

## Executive Director's Narrative Report

### 1) Organisational overview and external environment

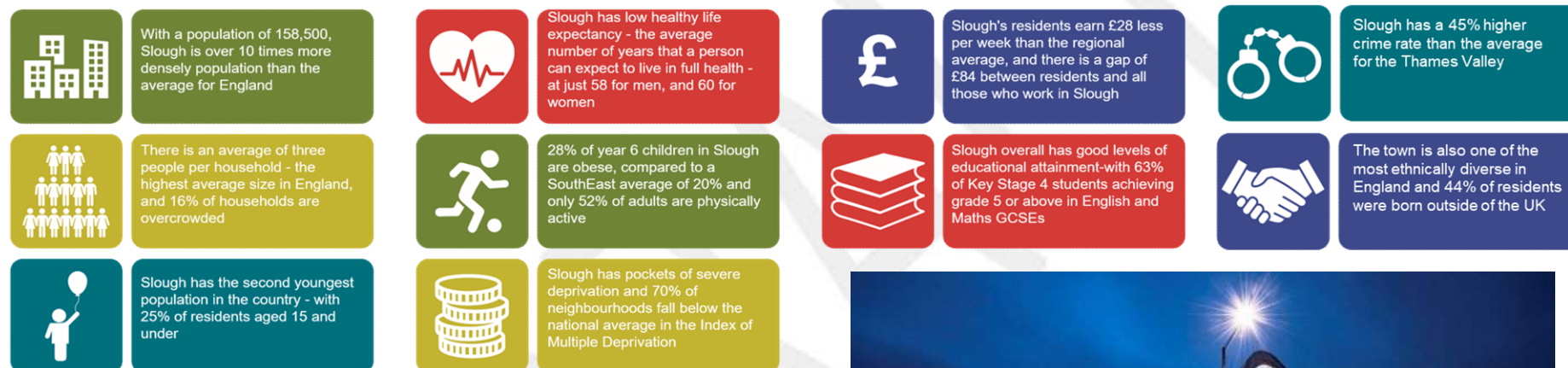
#### Local context

Since the 1930s people from around the UK and across the world have made Slough their home. The town is excellently served by road (located between the M4, M40 and M25) and rail links to London (the Elizabeth line) and is less than 10 miles away from Heathrow International Airport.

The Centre for Cities analysed the economic landscape of the UK's largest cities and towns. Their findings identified Slough as a real hotspot for its contribution to the UK economy with findings such as:

- 1st for exporter productivity
- 1st in highest GVA (Gross Value Added, this is a measure of labour productivity that estimates the value of goods and services produced per hour worked)
- 2nd highest start-up rate
- 2nd in average weekly earnings
- 3rd in ratio of private sector to publicly funded jobs
- 3rd for house price growth
- 6th highest rate of businesses
- 10th fastest-growing city by population

#### 10 key facts about Slough



The Curve

Slough's iconic library and cultural centre



## Executive Director's Narrative Report (continued)

### Our strategic priorities

These statistics above highlight the incredible performance and potential of Slough, as well as the challenges, particularly the poor healthy life expectancy compared to neighbouring areas and one of the youngest populations in the country. The Council's purpose as defined in the Corporate Plan 2023-2027 is closing the healthy life expectancy gap, by focusing on children. To deliver on the key purpose, there are several key challenges we will need to focus on:

1. A borough for children and young people to thrive
2. A town where residents can live healthier, safer and more independent lives
3. A cleaner, healthier and more prosperous Slough

Our Corporate Plan sets out the vision for the council and what we hope to deliver for the borough by 2027, focussing on these three strategic priority areas.

### Recovery and improvement

Slough's context includes a backdrop of government intervention. The scale of the council's challenges was highlighted in a series of government directions from the Ministry of Housing, Communities and Local Government and the appointment of Commissioners in December 2021. In addition, the council remains under a separate Direction from the Department of Education.

The Council has acknowledged the need to deliver change and improvement and is embarking on a significant transformation programme. Without doing this, we would struggle to deliver against our strategic priorities. It is a key objective of the Council to be able to demonstrate tangible progress against the directions so that we can recover and become financially sustainable. Progress against our Recovery Plan is reported monthly to Commissioners at the Improvement and Recovery Board and quarterly to Full Council.



*Herschel Park or Upton Park as it was originally called is Slough's oldest park*

Our approach

To deliver change and improvement, we know we need to be:

- Resident focused
- Ensuring residents are consulted on key decisions
  - Improving response times and customer service
  - Making it easier for residents to access advice and information

- Providing financial sustainability
- Ensure that the corporate plan aligns with the council's Medium Term Financial Strategy which sets out how our priorities will be resourced. Any financial implications arising from implementation of actions are fully factored into the budget and the MTFP plan
  - Continue to improve our financial resilience, focusing on financial recovery and onward sustainability

- Enabling residents and communities
- Being active and present in our community
  - Working with residents to cultivate strong, healthy and attractive neighbourhoods where residents live well, independently, and become self-sufficient
  - Providing opportunities for residents to change the things they believe need changing in their community

- Strengthening partnerships
- Developing more effective strategic partnerships - particularly with the Slough Health & Wellbeing Board and Safer Slough Partnership - focused on action and delivering rapid progress
  - Creating new relationships with local employers to harness the strength of Slough's business community, target skills gaps and create employment opportunities for residents
  - Re-establishing, re-energising and building on our shared 2040 partnership vision for Slough

- Building trust
- Demonstrating our commitment to integrity and public service through our conduct
  - Publishing regular progress reports on the council's recovery
  - Improving transparency on our performance and decision-making

2) Governance

Further information on governance can be found in the Annual Governance Statement (refer to the previous section). This has been an area of improvement for the Council in recent years, linked to the recovery and improvement work, referenced above.

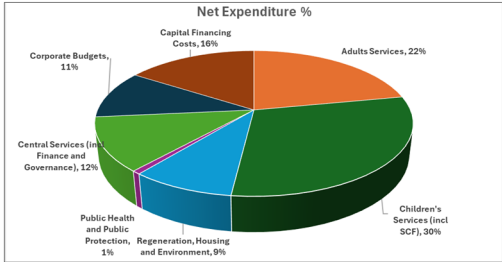
3) Operational model and performance

2024/25 Budget

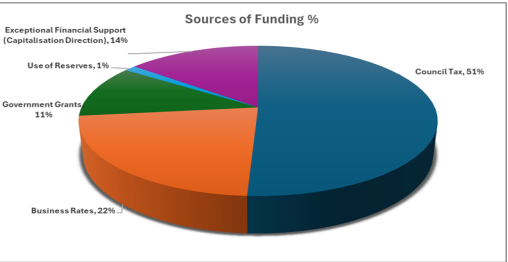
General Fund expenditure relates to the services provided through council tax and business rates, supported by government grants and other fees and charges. Housing Revenue Account relates to our landlord services for council housing and is funded primarily through rents and service charges. Dedicated Schools Grant (DSG) expenditure is primarily grant funded and supports schools, early years and young people with special educational needs and disabilities. It does not include the cost of social care services provided by Slough Children's First, which are paid for through the General Fund. The Council has been participating in the Departments of Education's Safety Valve programme, to reduce historic DSG deficits.

The 2024/25 budget was approved by Council on the 7th March 2024. The approved General Fund budget was £162.2m including a £2m contribution from the budget smoothing reserve.

The chart below shows a proportionate breakdown by service of the 2024/25 net budget.



The chart below shows the net funding of the revenue budget of £162.2m.





## Executive Director's Narrative Report (continued)

It should be noted that the Exceptional Financial Support, in the form of Capitalisation Direction does not represent additional funding. It means the Council was able to capitalise up to £23.1m of revenue expenditure, and this has had to be financed primarily from additional borrowing.

Capital expenditure refers to spending on improving assets or purchasing new assets. The approved General Fund Capital Programme (excluding capitalisation direction of £23.1m) for the year was £23.3m, funded through a combination of government grants, capital receipts and developer contributions.

## Outturn report

The 2024/25 provisional outturn report, as presented to Cabinet in July 2025, set out a provisional General Fund outturn of £169.6m, an indicative overspend of £8.8m against the final budget of £160.2m largely driven by overspends in adult social care and provision of temporary accommodation to mitigate homelessness.

Although anticipated financial pressures were reflected in the budget set, rising demand levels have contributed to the significant overspends. The outturn report reflected a provisional capitalisation direction of £23.1m, which means there was an additional deficit of £23.1m in the revenue budget which central government were directing to be capitalised over a 20-year period, so the service overspends were on top of the planned capitalisation direction.

Following the publishing of the provisional outturn report in July 2025 and the publishing of the draft statement of accounts work was done to verify the accuracy of the reported position with review undertaken including:

- o Review of historic developer contributions where the liability had been met but funding source not applied.
- o Correction of some historic and current year costs which had been charged to the General Fund but should have been recharged to the HRA
- o Review of the in 2024/25 and 2025/26 temporary accommodation costs to ensure these were recorded in the correct financial year with adjustments made where this was not the case.
- o Review of qualifying expenditure to meet flexible use of capital receipts policy which led to a drawdown from the transformation reserve.

Further key accounting changes since the Outturn report, and reflected in the published statements include:

- o Accounting for the cost of annual leave and absence
- o Depreciation of General Fund Assets
- o Inclusion of capital transactions
- o Financing and investment income and expenditure allocated between the General Fund and HRA
- o Final Reserve drawdowns.

The impact of this work reduced the overspend position from £8.8m to a balanced position with the overspend funded from a £2m planned use of the budget smoothing reserve and approved use of specific general fund reserves. The general fund balance was increased by £1m in line with the budgeted assumption.

The Comprehensive Income and Expenditure Statement shows a surplus for the year of £25.8m, however the surplus is due to a significant reduction in assessed pensions liabilities.

The net deficit for the year on provision of services was £26.7m, compared to £88.0m for the previous year. This includes a surplus on the HRA, as reflected in the Movement in Reserves Statement of £8.9m, so the deficit on the General Fund was £35.6m, before accounting for the Exceptional Financial Support (Capitalisation Direction) of £23.1m for the year, and which has required £14.4m funded from General Fund earmarked reserves (including Public Health and Better Care Fund). This compares to the assumed requirement for drawdown from General Fund reserves in the 2024/25 budget of £3m.



### Executive Director's Narrative Report (continued)

During the year 11 (2023/24: 20) asset sales resulted in £13m (2023/24: £29.7m) of capital receipts, these are slightly offset by £0.8m (2023/24: £1.5m) of costs incurred to realise these sales. This has significantly contributed towards the Council's asset disposal programme, but has been subject to some slippage compared to previous plans.

The provisional outturn report indicated that the DSG overspent by £2.2m for 2024/25, before taking account of the £2.1m Safety Valve support, meaning a net overspend of £0.1m for the year. In addition to this there was a brought forward deficit from previous years of £10.1m. The actual deficit for the year was £0.353m, and so the carried forward deficit has increased to £10.4m.

The provisional HRA outturn saw an in-year surplus of £4.5m, against a budgeted surplus of £3.5m, the difference being mainly on central support services and less than assumed depreciation charges. The final position on the HRA was a £1.8m surplus after accounting for technical adjustments.

The general fund capital programme spent £12.7m, compared to the original budget of £23.3m, and was funded by primarily by government grants and developer contributions. The planned spend was lower than the budget due to delays in the start of some major projects.

### HRA

The HRA is a ring-fenced account used to manage the Council's housing stock of approximately 6,029 properties, with the Council acting as the Landlord. The HRA operates as a 'self-financing' service, with costs of the properties and associated services funded by housing rents and specific fees and charges. The Council is accountable to their tenants for income and expenditure on council housing separately from other functions and services of the Council. The authority must implement proposals that will secure that the account for each financial year will not show a debit balance.

### Balance sheet

As at 31 March 2025 the Council has long term assets of £1,156.3m (2023/24: £1,176.6m), a reduction of £20.2m from the previous year. The difference was primarily due to a combination of asset disposals and depreciation. Current assets (including cash and short term investments) are £82.9m (2023/24: £66.0m), current liabilities were £203.4m (2023/24: £161.2m), and long term liabilities were £474.7m (2023/24: £546.0m), which includes the net pension liability of £46.5m (2023/24: £108.1m). The net assets of the Council have increased from £535.4m at 31 March 2024 to £561.2m at 31 March 2025, due primarily to reduced long term liabilities, including pensions.

The Council had total reserves of £561.1m as at 31st March 2025 (2023/24: £535.4m), made up of usable reserves of £154.6m (2023/24: £242.6m), and unusable reserves of £406.6m (2023/24: £292.8m). The distinction is important as the level of useable reserves is an indicator of the medium-term financial resilience of the Council, although some of these reserves can only be used for specific purposes. General Fund reserves (excluding schools) reduced from £56.8m to £43.4m during the year (2023/24: £47.8m down to £28.5m), reflecting the ongoing pressures on the General Fund, and the Council is required to develop a reserves strategy, as part of our medium-term financial planning process of becoming financially sustainable in the longer term.

### Collection fund

The collection fund shows the transactions of the Council in its capacity as the billing authority for council tax and business rates within Slough. The account closed with a total deficit of £0.7m (£1.7m in 2023/24), comprising of a £2.3m surplus on business rates (£2.7m deficit in 2023/24), and a deficit of £2.9m on council tax (£1.1m surplus in 2023/24). The balances are shared between Slough, central government, Berkshire Fire Authority and Thames Valley Police, as shown in note 3 to the collection fund. Slough's share of the business rates surplus was £1.1m (£1.3m deficit in 2023/24), with a £2.5m share of the council tax deficit (£0.9m surplus in 2023/24), leading to Slough's overall share being a net deficit of £1.4m (£0.4m in 2023/24).

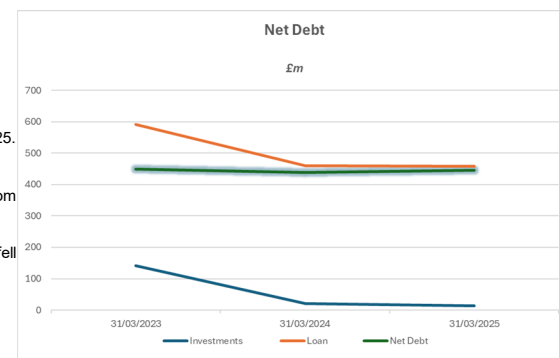
### Treasury management

Treasury Management is the management of the Council's cash flows, borrowing and investments. We must ensure cash raised during the year meets cash expenditure, and cash is available when it is needed. We must also ensure that external borrowing, except in the very short term, is only used for financing capital expenditure. Treasury management performance is reported quarterly to Audit and Corporate Governance Committee, and we must operate in accordance with CIPFA's Treasury Management Code of Practice.

For 2024/25 the Secretary of State issued a "minded to" approval of Exceptional Financial Support, by way of Capitalisation Direction, up to £23.1m, as part of £336.5m issued to 31st March 2025. This has facilitated revenue expenditure to be "capitalised" and enabled replenishment of General Fund Reserves to support financial sustainability. The original assumption would be that these capitalisation directions would be primarily financed through asset disposals. However, following a review during 2024/25 of assets held in the General Fund, those assumptions have had to be reassessed and significantly reduced, placing pressures on our ability to reduce indebtedness. As part of its recovery, the council must reduce its external debt. During the year £13m receipts from asset disposals were generated.

On the 31st March 2025 the Council's total external borrowing (excluding interest) was £458.5m, compared to £459.4m the previous year, a reduction of £0.9m. However, our cash investments fell from £21.3m to £13.6m over the same period, meaning net borrowing increased from £438.1m to £444.9m. During the year we repaid £74.9m Public Works Loans Board (PWLb) loans, as they matured, but £74m were refinanced through new PWLB loans.

The position on loans and investments across the last 3 years is shown on the right.



## Executive Director's Narrative Report (continued)

### Pension liability

The pension liability reflects the underlying long-term commitment that the Council has to pay for the retirement benefits owed to its pension fund members. The net pension liability decreased from £108.1m at 31 March 2024 to £46.5m as at 31 March 2025. The scheme assets increased from £351.4m to £362.7m. The assumptions on pension obligations have decreased, with scheme liabilities decreasing from £459.5m to £409.2m. The value of credit assets has increased during the year. An increase in the discount rate, and slight reductions in RPI and salary increase assumptions have combined with other factors to reduce forecast liability. Overall the increase in the value of assets combined with decreases in the liabilities, leads to the significant improvement in the overall position.

### Council performance

Reporting on key performance metrics, aligned to the corporate plan priorities, is an important means for stakeholders to assess how the Council is performing, and highlights areas where improvements are still required.

The Council published its 2024/25 corporate performance report in July 2025. Positive trends within that report include early child development with over 80% achieving a good level of progress in key areas of development, an increase of some 3.5% from the previous year, and in line with the national average, and the percentage of care leavers in education employment or training which rose from 44% to 56%, well above our target of 52%. However, the proportion of eligible 2-year-old children benefitting from funded early education at only 57% remained below our target of 60%. The percentage of new education health and care (EHCP) plans, issued within 20 weeks also continued to be significantly less than our target for 2024/25 and the national average, and has been a focus for improvement during 2025/26. We did however see a slight reduction in the number of young people not in education, employment and training (NEET) to just under 6% of 16–17-year-olds in the borough. The number of children and young people in external residential placements remains low and below target. Child obesity reduced very slightly during the year but remains above the national average.

Average relet times for council housing improved from 252 days to an average of 194 days for last year, and indeed performance had improved to 52 days by the end of the year, we are continuing to see ongoing improvement to meet our target of 35 days. Also, the percentage of urgent housing repairs completed within agreed timescales remained just below 100%, above our target of 99%. However, tenant satisfaction fell slightly and was significantly below the targeted national average. The percentage of both major and non-major applications determinations within deadlines continued to be above target.

Although the total amount of residential waste collected during 2024/25 was slightly less than the previous year, the percentage of that waste that was sent for re-use, recycling or composting reduced and remains significantly below the national average.

### 4) Risks and opportunities

Slough are affected by local government funding challenges with the impact of reduced central government funding combined with a referendum limit on council tax restricting our ability to raise additional income, presenting the council with challenges managing within the available funding. Some of the more specific service risks include:

- o Demand and cost pressures in temporary accommodation and adult social care in the general fund and demand and cost pressures against the grant funding available within the schools service.
- o Income generation from fee generating services due to the country's economic position.
- o Challenges of attracting and retaining staff to maintain and improve service delivery.
- o Health & Safety exposures which could result in fatality or serious harm to employees or third parties through our conduct.
- o Cyber threat materialising in a significant data compromise or major service disruption.
- o Risks related to the Council's companies are picked up in the company structure, risks, priorities, and strategy section, below.

Corporate risks will continue to be monitored by the corporate risk management board, with regular risk update reports provided to CLT and the Audit and Corporate Governance committee.

### 5) Strategy, outlook and resource allocation

#### Medium term financial context

Slough continues to face significant financial challenges. The council's medium term financial strategy is therefore aimed at the objective of delivering financial resilience through the finance recovery plan and achieving onward sustainability.

The council remains in recovery and with government announcing on 20 November 2024 that government intervention will be extended for a further two years until 30 November 2026. The council recognises that over the medium to longer term the council needs to spend within its available resources. The council is working within a challenging financial context with increasing future demand from residents to address more complex issues. Society is also changing rapidly, with different expectations and needs. The council is therefore proactively designing its future shape and how it will continue to deliver services to its residents, businesses, partners and attracting people and businesses to Slough.

## Executive Director's Narrative Report (continued)

028

The council has also made and will continue to make positive investment and decisions that support the council's future direction and will continue to do so within the budget to work towards longer term sustainability. This includes:

- A series of permanent appointments to the Council's senior management structure and stabilising the workforce through the workforce strategy;
- Adult Services - Investment into the community and voluntary sector;
- Public health – alongside the public health ringfenced grant, the service has been successful in securing additional funding for health research and physical activity;
- Asset strategy – supporting services and creating future estate strategies to ensure that the council can deliver services effectively from the proper buildings in the right locations. This includes disposing of assets in line with the Capitalisation Directive and making acquisitions to support various services;
- Reducing outstanding debt and working proactively with customers, clients including the vulnerable;
- Changes to the Council Tax Support Scheme (CTSS) and creation of a hardship fund for 2025/26; and
- Modernising the council through IT infrastructure investment to reduce operating costs whilst lowering organisational vulnerability.

The Council continues to need to reduce its expenditure and increase its income so that it can set a balanced budget without the need in future to rely on exceptional financial support. Current assumptions mean capital receipts in all likelihood will not fully fund the capitalisation directions and so will require repayment through future revenue budgets.

### 6) Companies and the group structure

#### Company risks, structure, priorities and strategy

The Council continues to use Slough Children First Ltd (SCF) to provide children's services, and in particular manage children's social care. SCF is a wholly owned company of Slough Borough Council and is constituted as a company limited by guarantee. Their statutory accounts for 2024/25 are scheduled to be filed by the 31st December 2025. Their draft accounts for 2024/25 showed a net profit of £0.2m (2023/24 £5.3m). Their balance sheet currently shows net assets of £3.8m (2023/24: £2.2m net liabilities), subject to finalisation of their 2024/25 statutory accounts.

For the other companies, the Council is reviewing financial and legal governance and oversight arrangements which would enable it to develop its future strategy for each company. A statutory external audit recommendation remains outstanding relating to the company governance and monitoring, which continues to be addressed by the Council through the Finance Improvement Programme.

James Elliman Homes (JEH) was incorporated in 2017 with the primary objective of supporting the council to improve affordable housing supply and good quality accommodation for key workers. The Council's cabinet approved the 2025/26 business plan for JEH, a subsidiary of the Council, in March 2025, with an amended business plan expected to be approved by Cabinet during Autumn 2025 and a new business plan for 2026.

JEH is required to file statutory accounts for 2024/25 by 31st December 2025. For the purposes of these accounts assumed losses for the year were £1.9m (2024 £2.4m), with accumulated losses rising to £12.2m (2024 £10.3m). Issues were identified during preparation of JEH's financial statements for 2023/24, and all sets of accounts from incorporation had to be restated. The accounts for JEH do show negative equity, however given the ongoing work on the business plan, a debenture secured by the Council on JEH, and the minimum revenue provision already set aside for the loans provided to the companies, the risk is being managed. The council confirmed its intention to continue to provide support to the company by supporting the 2025/26 business plan to enable the company to return to a financially sustainable position. The 2026/27 business plan is expected to be considered by Cabinet in December 2025.

GRE5 are required to file statutory audited accounts for 2024/25 with Companies by 31st December 2025. Draft accounts have been used to support the preparation of the Group Accounts, and which reflect a £0.04m profit for the year. However, their 2023/24 accounts have negative equity of £3.1m, so the profit for last year will only reduce that slightly. There have been claims submitted to Homes England to recover some of that loss. The Council has exposure to non-repayment of loans. Their current business plan reflects a risk exposure to the Council of £1.9m to £2.8m, and provision has been set aside in these accounts for those potential losses. The business plan for 2026/27 is expected to be reviewed by Cabinet in December 2025.

Slough Urban Renewal (SUR) is a joint venture (JV) with Muse Developments formed in 2013 to support regeneration and development across the borough. The JV has been disposing of its land interests with net profits distributed following each site disposal. This is following a review of SUR LLP, in which the council has considered a site disposals strategy to be the most effective of delivering financial and strategic objectives and minimising risk. Published accounts for the year ended 31st December 2024 showed a profit of £4.0m (2023: £12.4m).

The Council also holds an interest in Development Initiative for Slough Housing (DISH), which was incorporated in 1988 as a not-for-profit company limited by guarantee. It manages a number of properties that have been leased to it by SBC. The company's net assets and reserves, as reported in the published accounts for the year ended 31st March 2025, are nil.

### 7) Basis of preparation and presentation

#### Basis of preparation

The Council's accounts are prepared in line with the CIPFA Code of Practice in local authority accounting. The most significant change from 2023/24 is the implementation of IFRS16 Leases. A full record of accounting policies is available later in this document. The Council prepares single entity accounts and also group accounts. This is explained more fully in note 1: basis of preparation.

Executive Director's Narrative Report (continued)

Statement of Responsibilities for the Statement of Accounts

The Council's Responsibilities

The Council is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers (the section 151 officer) has the responsibility for the administration of those affairs.
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- approve the statement of accounts.

The Section 151 Officer's Responsibilities

- 1) As Section 151 Officer, the Executive Director Corporate Resources is responsible for the preparation of the Council'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).
- 2) I was appointed interim Executive Director Corporate Resources (S151 Officer) for Slough Borough Council from 10 September 2025. The auditors had previously made a number of statutory recommendations concerning the preparation of and evidence to support the Statement of Accounts for 2018/19 which was published by a predecessor. In response, the Council engaged a completely new Finance team who identified significant weaknesses in financial management, financial processes and systems of internal control. Those recommendations are still being implemented.
- 3) Whilst I cannot comment on the quality of financial processes in operation prior to my appointment, I am satisfied, based on available assurances provided, that sufficient evidence is available to support the overall Balance Sheet and the overall year-end position on General Fund balances and reserves. Within this overall position there may be material errors on a line by line basis.
- 4) In preparing the 2024/25 statement of accounts, I have received assurance:
  - that suitable accounting policies were selected and applied consistently;
  - that judgements and estimates made were reasonable and prudent; and
  - that judgements and estimates made complied with the Code.

Certification by the Section 151 Officer

- 5) Within the context of paragraphs 3) and 4) above I therefore certify that to the best of my knowledge and belief so far as is possible in the circumstances, that this statement of accounts presents a true and fair view of the overall financial position of the authority and the income and expenditure for the year ended 31 March 2025. Within this overall position there may be material errors on a line by line basis.

*Ian O'Donnell*  

---

**Ian O'Donnell**  
Interim Executive Director Corporate Resources (Section 151 Officer)

12 December 2025  

---

**Date**





## INDEPENDENT AUDITOR'S REPORT

Independent Auditor's report to the members of Slough Borough Council Opinion on the financial statements

Opinion

This page has been intentionally left blank

This page has been intentionally left blank

This page has been intentionally left blank

This page has been intentionally left blank

This page has been intentionally left blank



This page has been intentionally left blank

SECTION – 3

CORE FINANCIAL STATEMENTS

Core Financial Statements	Page Number
• Comprehensive Income and Expenditure Statement	38
• Movement in Reserves Statement	39
• Balance Sheet	41
• Cash Flow Statement	42

Comprehensive Income and Expenditure Statement

The Comprehensive Income and Expenditure Statement (CIES) records all of the Council's revenue income and expenditure for the year. Expenditure represents a combination of statutory duties and discretionary spend focused on local priorities and needs.

2023/24				2024/25			
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	
£'000	£'000	£'000		£'000	£'000	£'000	
2,354	(145)	2,209	ED Monitoring Officer	3,182	(1,101)	2,081	
9,650	(1,845)	7,805	Chief Execs Office	6,066	(1,081)	4,985	
68,730	(44,254)	24,476	Corporate Services	89,439	(59,636)	29,803	
52,874	(22,339)	30,535	ED Housing, Property & Planning	82,187	(54,083)	28,104	
68,678	(30,958)	37,720	ED Adults' Services	69,750	(22,756)	46,994	
200,355	(152,917)	47,438	ED Children's Services	169,522	(115,397)	54,125	
39,899	(16,827)	23,072	ED Place & Communities				
14,276	(12,518)	1,758	Public Health	14,724	(13,102)	1,622	
38,181	(42,456)	(4,275)	Housing Revenue Account	37,119	(44,957)	(7,838)	
494,997	(324,259)	170,738	Cost of Services	471,989	(312,113)	159,876	
59,295	(34,808)	24,487	Other operating expenditure or (income)	2,967	(7,187)	(4,220)	6
43,742	(13,430)	30,312	Financing and investment income and expenditure	18,906	(7,889)	11,017	7
-	(137,504)	(137,504)	Taxation and non-specific grant income		(140,020)	(140,020)	8
598,034	(510,001)	88,033	(Surplus) or deficit on the provision of Services	493,862	(467,209)	26,653	
			Items that will not be reclassified to the (surplus) or deficit on the provision of Services				
		7,819	(Surplus) or deficit on revaluation of property, plant and equipment assets			6,220	16
		(15,818)	Remeasurement of the net defined benefit liability/(asset)			(58,666)	32
		(7,999)	Other Comprehensive income and expenditure			(52,446)	
		80,034	Total Comprehensive income and expenditure			(25,793)	

## Movement in Reserves Statement

The **Movement in Reserves** Statement shows the movement in year on reserve balances held by the Council.

	General Fund Balance	Earmarked GF Reserves	Schools Reserves	General Fund Total	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Council Reserves	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	Note
Balance at 1 April 2024	(22,465)	(28,452)	(25,308)	(76,225)	(22,667)	(94,528)	(15,398)	(33,744)	(242,562)	(292,791)	(535,353)	
Opening Balance Adjustment		(5,872)		(5,872)	5,872				-		-	
Balance 1 April 2024	(22,465)	(34,324)	(25,308)	(82,097)	(16,794)	(94,528)	(15,398)	(33,744)	(242,562)	(292,791)	(535,353)	
<b>Movement in reserves during 2024/25</b>												
(Surplus)/deficit on provision of services	35,598	-		35,598	(8,945)				26,653		26,653	
Other Comprehensive income and expenditure									-	(52,446)	(52,446)	
<b>Total Comprehensive Income and Expenditure</b>	<b>35,598</b>	<b>-</b>		<b>35,598</b>	<b>(8,945)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,653</b>	<b>(52,446)</b>	<b>(25,792)</b>	
Adjustments between accounting basis and funding basis	1,338	-		1,338	7,143	57,759	4,096	14,063	84,396	(84,396)	-	15
Capitalisation Direction	(23,078)			(23,078)					(23,078)	23,078	-	
<b>(Increase) or decrease before transfers to earmarked reserves</b>	<b>13,858</b>	<b>-</b>		<b>13,858</b>	<b>(1,802)</b>	<b>57,759</b>	<b>4,096</b>	<b>14,063</b>	<b>87,971</b>	<b>(113,764)</b>	<b>(25,792)</b>	
Transfer to/(from) reserves	(14,856)	14,404	454	-					-		-	
<b>Balance at 31 March 2025</b>	<b>(23,463)</b>	<b>(19,920)</b>	<b>(24,854)</b>	<b>(68,239)</b>	<b>(18,596)</b>	<b>(36,769)</b>	<b>(11,302)</b>	<b>(19,681)</b>	<b>(154,591)</b>	<b>(406,555)</b>	<b>(561,145)</b>	

Refer pages 73 to 79 for notes to the Movement in Reserves Statement

For more information on earmarked reserves, refer to page 79: Transfers to/and from Reserves

## Movement in Reserves Statement

The **Movement in Reserves** Statement shows the movement in year on reserve balances held by the Council.

	General Fund Balance	Earmarked GF Reserves *restated	Schools Reserves	General Fund Total	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Council Reserves	Note
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Balance at 1 April 2023	(21,465)	(58,291)	-	(79,756)	(21,645)	(81,043)	(15,192)	(31,485)	(229,122)	(386,266)	(615,388)	
Opening Balance Adjustment		10,523	(21,036)	(10,513)					(10,513)	10,513	-	
Balance 1 April 2023	(21,465)	(47,768)	(21,036)	(90,269)	(21,645)	(81,043)	(15,192)	(31,485)	(239,635)	(375,753)	(615,388)	
<b>Movement in reserves during 2023/24</b>												
(Surplus)/deficit on provision of services	92,895	-		92,895	(4,862)				88,033		88,033	
Other Comprehensive income and expenditure									-	(8,000)	(8,000)	
<b>Total Comprehensive Income and Expenditure</b>	<b>92,895</b>	<b>-</b>		<b>92,895</b>	<b>(4,862)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>88,033</b>	<b>(8,000)</b>	<b>80,033</b>	
Adjustments between accounting basis and funding basis	(32,526)	-		(32,526)	3,840	(13,486)	(206)	(2,259)	(44,637)	44,637	-	15
Capitalisation Direction	(46,325)			(46,325)					(46,325)	46,325	-	
<b>(Increase) or decrease before transfers to earmarked reserves</b>	<b>14,044</b>	<b>-</b>		<b>14,044</b>	<b>(1,022)</b>	<b>(13,486)</b>	<b>(206)</b>	<b>(2,259)</b>	<b>(2,929)</b>	<b>82,962</b>	<b>80,033</b>	
Transfer to/(from) reserves	(16,627)	20,899	(4,272)						-		-	
Balance at 31 March 2024	(22,465)	(28,452)	(25,308)	(76,225)	(22,667)	(94,529)	(15,398)	(33,744)	(242,564)	(292,791)	(535,355)	

Refer pages 73 to 79 for notes to the Movement in Reserves Statement

For more information on earmarked reserves, refer to page 79: Transfers to/and from Reserves

Balance Sheet

The **Balance Sheet** is fundamental to the understanding of the Council's financial position at the year end. It shows the value as at the Balance Sheet date of assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by reserves held by the Council.

Certification by the Chief Financial Officer

On the basis of available assurances provided in support of the overall Balance Sheet and the overall year-end position on General Fund balances and reserves, I certify that the statement of accounts gives a true and fair view of the financial position of the authority as at 31 March 2025 and its income and expenditure for the year ended 31 March 2025. Within this overall position there may be material errors on a line by line basis.

Ian O'Donnell

Ian O'Donnell  
Interim Executive Director Corporate Resources (Section 151 Officer)

Date: 12 December 2025

31-March-2024		31-March-2025	
£'000		£'000	Note
1,089,134	Property, Plant and Equipment	1,050,154	18
27,212	Investment Property	48,247	20
480	Intangible Assets	254	18
5,052	Long-term Investments	4,392	24
54,679	Long-term Debtors	53,266	28
1,176,557	Total Long-term Assets	1,156,313	
432	Short Term Investments	32	24
-	Assets Held for Sale	6,999	18
36,959	Short term debtors	58,620	28
28,571	Cash and Cash Equivalents	17,318	27
65,962	Current Assets	82,969	
(69,000)	Short-term Borrowing	(99,863)	24
(84,639)	Short-term Creditors	(71,778)	29
(7,529)	Short-term Provisions	(21,505)	30
-	Grants Received in Advance - Revenue	(10,342)	14
(161,168)	Current Liabilities	(203,488)	
(17,995)	Long-term Creditors	(2,785)	
(2,822)	Long-term Provisions	(170)	30
(390,432)	Long-term Borrowing	(362,070)	24
(134,749)	Other Long-Term Liabilities	(75,344)	31
-	Grants Received in Advance - Capital	(34,284)	14
(545,998)	Long-term Liabilities	(474,653)	
535,353	Net Assets	561,141	
(242,563)	Usable Reserves	(154,588)	
(292,790)	Unusable Reserves	(406,553)	16
(535,353)	Total Reserves	(561,141)	



Cash Flow Statement

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

The Statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council.

2023/24		2024/25	
£'000		£'000	Note
88,033	Net (surplus) or deficit on the provision of services	26,653	
(108,495)	Adjustments to net (surplus) or deficit on the provision of services for non-cash movements	(4,340)	34
(74,356)	Adjustments for items included in the net (surplus) or deficit on the provision of services that are investing and financing activities	18,774	34
(94,818)	Net cash flows from operating activities	41,087	
(37,486)	Investing Activities	(30,190)	35
132,408	Financing Activities	356	36
104	Net (increase) or decrease in cash and cash equivalents	11,253	
28,676	Cash and cash equivalents at the beginning of the reporting period	28,571	
28,571	Cash and cash equivalents at the end of the reporting period	17,318	27

## SECTION – 4

### NOTES TO THE CORE FINANCIAL STATEMENTS

Note Reference	Description	Page Number
Note 1:	Accounting Policies	046
Note 2:	Accounting Standards that have been Issued but Not Yet Adopted	056
Note 3:	Critical Judgements in Applying Accounting Policies	057
Note 4:	Assumptions made about the future and other sources of estimation uncertainty	058
Note 5:	Material Items of Income and Expense	059
Note 6:	Other Operating Expenditure	060
Note 7:	Financing and Investment Income and Expenditure	060
Note 8:	Taxation and Non-Specific Grant Income	060
Note 9:	Expenditure and Funding Analysis	061
Note 10:	Partnership Arrangements	064
Note 11:	Members' Allowances	065
Note 11a:	Exit packages and termination benefits	065
Note 11b:	Officers' Remuneration	065
Note 12:	External Audit Fees	068
Note 13:	Dedicated Schools Grant (DSG)	068
Note 14:	Grant Income	069
Note 15:	Adjustments Between Accounting Basis and Funding Basis Under Regulations	071
Note 16:	Unusable reserves	073
Note 16a:	Revaluation Reserve	074
Note 16b:	Capital Adjustment Account	075
Note 16c:	Collection Fund Adjustment Account	076
Note 16d:	Dedicated Schools Grant Adjustment Account	076
Note 16e:	Accumulated Absences Account	076
Note 16f:	Financial Instruments Adjustment Account	077
Note 16g:	Pooled Investment Funds Adjustment Account	077
Note 16h:	Pensions Reserve	077
Note 16i:	Deferred Capital Receipts Reserve	078
Note 17:	Transfers to/from Earmarked Reserves	079
Note 18:	Property, Plant and Equipment	080
Note 18b:	Infrastructure Assets	084
Note 18c:	Assets Held for Sale	084
Note 18d:	Intangible Assets	085
Note 19:	Capital Commitments	085
Note 20:	Investment Property	086
Note 21:	Leases	086
Note 22:	Private Finance Initiatives and Service Concessions	089
Note 23:	Capital Expenditure and Capital Financing	092

## SECTION – 4

### NOTES TO THE CORE FINANCIAL STATEMENTS

Note Reference	Description	Page Number
Note 24:	Financial Instruments	093
Note 25:	Nature and Extent of Risks Arising from Financial Instruments	097
Note 26:	Fair value of assets and liabilities	100
Note 27:	Cash and Cash Equivalents	103
Note 28:	Debtors	103
Note 29:	Creditors	104
Note 30:	Provisions	105
Note 31:	Other Long-Term Liabilities	106
Note 32:	Pension Schemes Accounted for as Defined Contribution Schemes	107
Note 33:	Defined Benefit Pension Schemes	107
Note 34:	Cash Flow Statement - Operating Activities	112
Note 35:	Cash Flow Statement - Investing Activities	113
Note 36:	Cash Flow Statement - Financing Activities	113
Note 37:	Related Party Transactions	114
Note 38:	Contingent Liabilities	116
Note 39:	Events After the Balance Sheet Date	116

## Notes to the Core Financial Statements

### Note 1: Accounting Policies

#### 1.1 General Principles

The Statement of Accounts summarises the Authority's transactions for the 2024/25 financial year and its position at the year-end 31 March 2025.

The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 which requires accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

#### 1.2 Accruals of Income and Expenditure

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

- The Authority adopted IFRS15 Revenue Recognition from Contracts with Customers from 1 April 2018, such that revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract. Revenue recognition is now based on the transfer of control over goods and services to a customer rather than the risks and rewards, which may result in changes to the pattern of revenue recognition. In local government the generation of revenues from, charges to service recipients is only a minor funding stream and contracts with customers tend to be accounted for and delivered within the year.
- 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.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- 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.
- Revenue relating to Council Tax and Business Rates is measured at the full amount receivable (net of any impairment losses) as they are non-contractual, non-exchange transactions and there can be no difference between the delivery and payment dates.

#### 1.3 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Cash equivalents are investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

**Note 1: Accounting Policies (continued)**

**1.4 Employee Benefits**

**Benefits Payable During Employment**

Short-term employee benefits such as wages and salaries, paid annual leave, sick leave and expenses are paid monthly and reflected as expenditure in the relevant service line in the Comprehensive Income and Expenditure Statement (CIES).

**Termination Benefits**

Termination benefits are payable following a decision by the Authority to terminate an officer's employment before their normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits. Costs are recognised as a charge to the respective Service line in the CIES at the earlier of when the Authority can no longer withdraw the offer of redundancy or when the Authority recognises costs of restructuring.

Where termination benefits include the enhancement of pensions benefits, regulations require the General Fund to be charged with the amount payable to the pension fund or pensioner in the year, rather than the amount calculated under accounting standards. Entries are made in the Movement in Reserves Statement (MIRS) to transfer the accounting standards based entries to the Pension Reserve and replace these with the amount payable to the pension fund.

**Post-employment Benefits**

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

- The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE) and
- The Berkshire Local Government Pension Scheme, administered by Royal Borough of Windsor and Maidenhead.

Both schemes provide defined benefits to members (e.g. retirement lump sums and pensions), earned as employees worked for the Authority or related parties.

However, the arrangements for the Teachers' scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Authority. The scheme is therefore accounted for as if it was a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet.

The Children Learning and Skills Directorate line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to 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 Berkshire pension fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method
- The assets of the Berkshire pension fund attributable to the Council are included in the Balance Sheet at their fair value:
  - quoted securities – current bid price
  - unquoted securities – professional estimate
  - unitised securities – current bid price

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

## Note 1: Accounting Policies (continued)

### Service cost comprising:

- current service cost and past service cost are recognised as charges to the CIES to the services for which the employees worked
- net interest on the net defined benefit liability is charged to the Financing and Investment Income and Expenditure line of the CIES. 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.

### Re-measurements comprising:

- the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
- actuarial gains and losses are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure

The Authority's contributions to the Berkshire pension fund are charged to the General Fund by a transfer to the Pension Reserve via the MiRS in accordance with statutory requirements

### Discretionary Benefits

The Authority provides discretionary post-employment benefits which arise from additional service for early retirements. These benefits are unfunded, with costs met directly from the General Fund.

## 1.5 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. They are classified based on the business model for holding the instruments and their cashflow characteristics.

For the Authority's borrowings, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest). Interest charged to the CIES is the amount payable for the year according to the loan agreement.

The fair value of Public Works Loans Board (PWLb) loans is calculated using the certainty rate published by the PWLB on 31 March 2025.

For non-PWLB loans the fair value is deemed to be the standard new loan rate also published by the PWLB on 31 March 2025.

### Financial Assets

The Authority has reviewed the classification of all its financial assets based on the business model for holding the assets and concluded that they are either:

- assets at amortised cost;
- fair value through other comprehensive income (FVOCI); or
- fair value through profit or loss (FVPL).

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).



## Note 1: Accounting Policies (continued)

### Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are initially measured at fair value and subsequently carried at amortised cost. For the Authority this means that the amount presented in the Balance Sheet is the outstanding principal receivable plus accrued interest. Interest credited to the CIES is the amount receivable for the year under the loan agreement.

### Financial Assets Measured at Fair Value through Other Comprehensive Income

Financial assets are measured and carried at fair value. All gains and losses due to changes in fair value are accounted for through a reserve account (the Financial Instruments Revaluation Reserve) and the balance debited or credited to the CIES when the asset is disposed of.

Income from FVOCI assets is recognised when the right to receive the payment is unconditional. Income is reported in the Financing and Investment Income and Expenditure line in the CIES.

### Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)

Financial assets that are measured at FVTPL are initially measured and subsequently carried at fair value. All movements in the fair value of the instrument (both realised and unrealised) are recognised as they occur in the Surplus or Deficit on the Provision of Services.

### Impairment Losses

Allowances for impairment losses have been calculated for assets at amortised costs and FVOCI, applying the expected credit losses model.

The Authority recognises expected credit losses 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.

## 1.6 Government Grants and Contributions

Government grants and third party contributions and donations are recognised when there is reasonable assurance that:

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

Where conditions attached grants or contributions have not been satisfied, monies received to date are carried in the Balance Sheet as creditors and credited to the CIES when the conditions are satisfied.

Ringfenced grants and contributions are credited to the relevant service within the CIES. Non-ringfenced grants are credited to the Taxation and Non-specific Grant Income line within the CIES.

Capital grants credited to the CIES, are transferred out of the General Fund Balance via the MiRS. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

## Note 1: Accounting Policies (continued)

### 1.7 Interests in Companies and Other Entities

The authority has material interests in two subsidiaries (James Elliman Homes Ltd and Slough Children's First) which has been consolidated on a line by line basis in the Group accounts.

Subsidiary GRE5 and Joint venture SUR LLP has not been consolidated into the Group accounts as the entities falls outside the scope of materiality threshold for consolidation.

In the Authority's single entity accounts, interests in the above companies are classified under Debtors, measured at cost less provision for any losses and reported under Financial instruments

### 1.8 Investment Property

Investment properties are measured initially at cost and subsequently at fair value. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end.

Revaluation gains and losses on revaluation are recognised in the Financing and Investment Income and Expenditure line in the CIES. The same treatment is applied to gains and losses on disposal. However, regulations do not permit unrealised or realised gains and losses to impact the General Fund balance. Therefore, gains and losses are transferred to the Capital Adjustment Account via an entry in the MIRS.

Net rental income together with any revaluation gains and losses or impairments are recognised in the Financing and Investment Income and Expenditure line within the CIES.

### 1.9 Leases

#### *The Council as Lessee*

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

At the commencement of a lease, a liability is recognised for the obligation to make future payments discounted to their present value using the PWLB borrowing rate. The right acquired under the lease to use the leased item is recognised as an asset, measured on the commencement date at cost based on the lease liability plus any payments made before that date. Initial direct costs of the Council are added to the carrying amount of the asset.

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

Lease payments are apportioned between:

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

Right-of-use assets recognised under leases are accounted for using the policies applied generally to Property, Plant and Equipment assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life. This will include valuation where the cost model does not provide a reliable proxy for the current value of the right-of-use asset.

Where leases are for items of low value, or the lease term is less than 12 months from commencement, amounts paid under the lease are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting from use of the leased item. For this purpose, the Council has determined that items with a value of less than £10k when new are low value. 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)

**Note 1: Accounting Policies (continued)**

Operating Leases

Rentals paid under operating leases are charged to the CIES as an expense of the services benefitting from use of the leased assets. 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 or a premium payable at the commencement of the lease).

***The Council as Lessor***

Operating Leases

Where the Council grants an operating lease over an asset, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the CIES on a straight-line basis over the life of the lease, even if this does not match the pattern of payments.

**1.10 Overheads and Support Services**

The costs of overheads and support services are charged to service segments in accordance with the authority's arrangements for accountability and financial performance.

**1.11 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.

Property, plant and equipment is recognised where the initial cost or value exceeds £10,000.

**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 initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

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.

**Note 1: Accounting Policies (continued)**

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

Asset type	Measurement basis
Vehicles, plant and equipment, infrastructure, community assets	Depreciated historical cost
Council dwellings	Current value, determined using the basis of existing use value for social housing (EUV–SH)
Assets under construction	Cost
Surplus assets	Fair value
School buildings and other specialised assets	Depreciated replacement cost which is used as an estimate of current value
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 non-property assets 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 Surplus or Deficit on the Provision of Services where they arise from the reversal of a loss previously charged to a service.

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:

- where there is 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 subsequently reversed, the reversal is credited to the relevant service line(s) in the CIES, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

## Note 1: Accounting Policies (continued)

### Depreciation

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

Depreciation is calculated on the following bases:

- Dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer (housing dwellings and flats – 54 years)
- Vehicles, plant, furniture and equipment – a percentage of the value of each class of assets in the Balance Sheet, as advised by a suitably qualified officer (between 1-35 years)
- Infrastructure – straight-line allocation over 10-40 years.
- Other operational buildings – straight-line allocation over the useful life (1-60 years) as estimated by the valuer
- Car parks – straight-line allocation over the useful life (60 years) as estimated by the valuer

Where an item of property, plant and equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. This will only be applied where the omission to recognise and depreciate a separate component may result in a material difference to the depreciation charge.

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

### Disposals

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 CIES as part of the gain or loss on disposal. Gains and losses on disposal comprise the following:

- The capital receipt from the proceeds of the sale. Only receipts over £10,000 are classed as capital receipts. The capital receipt element of the gain/loss on disposal is transferred to the Capital Receipts Reserve via the MiRS;
- The carrying value of the asset disposed of or decommissioned, which is transferred to the Capital Adjustment Account via the MiRS;
- Any costs of administering the disposal.

Any revaluation gains accumulated for the asset in the Revaluation Reserve are written out to the Capital Adjustment Account.

A proportion of capital receipts relating to housing disposals is payable to the Government.

### 1.12 Private Finance Initiatives and Service Concessions

PFI and similar contracts (service concessions) are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the contractor. The Authority recognises the assets used under the contracts in the Balance Sheet within Property, Plant and Equipment, because it both controls the services provided under these contracts and as ownership of the property, plant and equipment will pass to the Authority at the end of the contracts for no additional charge.

The original recognition of these assets were at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment. Property, Plant and Equipment relating to PFIs and similar contracts, recognised on the Balance Sheet, is revalued, depreciated, and impaired in the same way as other property, plant and equipment owned by the Council

## Note 1: Accounting Policies (continued)

Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Authority.

The amounts payable to the PFI operators each year are analysed into five elements:

- Value of services received during the year – debited to the relevant service in the CIES;
- Finance cost – an interest charge on the outstanding Balance Sheet liability, debited to the FIIE line in the CIES;
- Contingent rent – increases in the amount to be paid for the property arising during the contract, debited to the FIIE line in the CIES;
- Payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease); and
- Lifecycle replacement costs – a proportion of the amounts payable is posted to the Balance Sheet as a prepayment and then recognised as additions to Property, Plant and Equipment when the relevant works are eventually carried out.

### 1.13 Provisions, Contingent Liabilities and Contingent Assets

#### Provisions

Provisions are recognised where the Authority has a legal or constructive obligation arising from a past event that will probably require settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the CIES when the Authority has an obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

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

A provision for the best estimate of the amount that businesses have been overcharged up to 31st March 2024 in relation to Business Rates. The estimate has been calculated using the latest Valuation Office (VOA) ratings list of appeals and an analysis of appeals to date when providing the estimate of the total provision up to and including 31st March 2024.

#### Contingent Liabilities

No liability is recognised as an outflow of economic resources as a result of present obligations is not probable. Instead, such situations are recognised as contingent liabilities in a note to the accounts, unless the outflow of resources is remote.

#### Contingent Assets

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

### 1.14 Reserves

The Council 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 in the MIRS. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then transferred back into the General Fund Balance so that there is no net charge against council tax for the expenditure.



## Note 1: Accounting Policies (continued)

### 1.15 Revenue Expenditure Funded from Capital under Statute

Legislation in England and Wales allows some expenditure to be classified as capital for funding purposes when it does not result in the expenditure being carried on the Balance Sheet as a fixed asset. All such expenditure is transferred from the General Fund Balance to the Capital Adjustment Account via the MIRS and is included in the Capital Expenditure and Financing disclosure.

### 1.16 Capitalisation Direction

The Council will capitalise expenditure when directed to by the Secretary of State or where the Secretary of State has given a "minded to" decision of a capitalisation direction. The expectation is that any capitalisation directions will be repaid from capital receipts resulting from the Council's asset disposal programme. Before such a time as the capitalisation directions are repaid minimum revenue provision (MRP) will be charged over a 20 year period in line with the Council's MRP policy. In general the capitalisation direction will be the first priority for capital receipts, with capital receipts held in the capital receipts reserve if there is the expectation across the medium term financial strategy (MTFS) horizon that they can be applied to a capitalisation direction. Occasionally the Council may deviate from this approach when this would deliver a MRP saving over the life of the MTFS.

### 1.17 Schools

Under the Code, local authority maintained schools are considered to be separate entities with the balance of control lying with the Authority. The Code requires that the income, expenditure, assets and liabilities of maintained schools be accounted for within the single entity accounts of the Authority.

Schools within the Council's group fall into the following categories:

- Community – 12 schools
- Nursery – 5 schools
- Foundation/Trust schools – 2 schools

Academies, Voluntary Aided, Voluntary Controlled and Free Schools are outside the Council's control and therefore not included in this Statement of Accounts.

### 1.18 VAT

The CIES excludes amounts relating to VAT. VAT is only recognised as an expense if it is not recoverable from Her Majesty's Revenue and Customs (HMRC). VAT receivable is excluded from income.

### 1.19 Minimum Revenue Provision (MRP)

The Council is not required to use Council Tax to fund depreciation, revaluation and impairment losses or amortisation of non-current assets. However, it is required to make an annual contribution from revenue towards provision for the reduction in its overall borrowing requirement equal to either an amount calculated on a prudent basis or as determined by the Council in accordance with statutory guidance. MRP has been charged in line with the Council's MRP Policy.

## 1.2 Fair Value Measurement

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

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

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

When measuring the fair value of a non-financial asset, the authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

**Note 1: Accounting Policies (continued)**

**1.21 Capital commitment**

The Council has included those projects which it believes it is committed to based on its capital strategy programme, which is approved by the Capital Strategy Board, although not all of these projects are subject to contractual agreements at year end.

**1.22 Rounding**

It is not the Council's policy to adjust for immaterial cross-casting differences between the main statements and disclosure notes.

**1.3 Changes in accounting policy**

The Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 has adopted IFRS 16 Leases with effect from 1 April 2024. IFRS 16 introduces a single lessee accounting model, requiring lessees to recognise a right-of-use asset and a corresponding lease liability for most leases. The Council has applied IFRS 16 from 1 April 2024 in accordance with the transition provisions of the standard. Comparative figures for prior years have not been restated and continue to reflect the previous accounting standard (IAS 17).

The impact on usable reserves is not material, as the pattern of lease expense recognition over the lease term is broadly unchanged.

The Council has not adopted any other new accounting standards or amendments with a significant impact on the Council's position.

## Note 2: Accounting Standards that have been Issued but Not Yet Adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the council to disclose information relating to the impact on the Council's financial performance or financial position of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code.

The standards introduced by the 2025/26 Code where disclosures are required in the 2024/25 financial statements, in accordance with the requirements of paragraph 3.3.4.3 of the Code, are:

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

There are also changes relating to the following two areas, but these are not expected to significantly impact the Council. These are:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) issued in August 2023. The amendments to IAS 21 clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.
- IFRS 17 Insurance Contracts issued in May 2017. IFRS 17 replaces IFRS 4 and sets out principles for recognition, measurement, presentation and disclosure of insurance contracts.

### Note 3: Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1 (Accounting Policies), the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The following are considered to be critical management judgements in applying policies of the Council that have the most significant effects in the Statement of Accounts:

- **Future funding** – there is currently a high level of uncertainty about future levels of funding for local government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be materially impaired as a result of a need to close facilities and substantially reduce levels of service provision particularly with the prospect of local government reorganisation looming.
- **School service concession (PFI)** – the Council is deemed to control the services and the residual assets created under the contract for Penn Wood School, which is recognised on the Balance Sheet at £17.5m (£19.6m 2023/24). The remaining two schools under the service concession contract, Beechwood School and Arbour Vale Special School have converted to academies and are therefore not under the control of the Council. Consequently, the assets for these two schools have been derecognised from the Balance Sheet. However, contractual liability remains with the Council and is reported in the Other Long-Term Liability balance on the Balance Sheet. Under the terms of the academisation, both schools make annual contributions to the Council for their shares of the unitary charge payable.
- **Recognition of schools** – the Council has completed a school by school assessment across the different schools operated within the Borough in order to determine the individual accounting treatments. Judgements have been made to determine the arrangements in place and the accounting treatment of the Non-Current Assets. As a result, the Council recognises school assets for Community schools and Voluntary Aided Schools on the Balance Sheet. The Council does not recognise assets relating to Academies or Free Schools as the view has been adopted that these entities were deemed to be owned by the relevant Dioceses or Trust following consultation and review.

- **Interests in Council-owned companies** – the Council has a number of interests in other entities which fall within the group accounting boundary on the grounds of control and significant influence in line with the Code. Based on materiality threshold, only the interests in its wholly-owned subsidiaries James Elliman Homes and Slough Children's First warrant consolidation into the Council's Group Accounts. Subsidiary GRE5 and Joint venture SUR LLP has not been consolidated into the Group accounts as the entities falls outside the scope of materiality threshold for consolidation.

The Council's share from the proceeds of the projects from the site developments undertaken by SUR, Joint venture, has been accounted for as capital receipts in the single entity statement.

- **Provisions for business rates appeals and bad debts** – The Collection Fund currently holds £7.968m appeals provision to counter the potential impact of successful appeals in future years. In addition, the Council reviewed the adequacy of the bad-debt provisions for the collection fund and set the business rates provision to £7.588m and the Council Tax provision to £12.275m
- **IFRS16 Leases** - The Authority therefore has set a limit of £10,000 for the purpose of implenting IFRS 16. This is also in consistence with the capitalisation policy of the Council  
The council has reviewed leases in accordance with IFRS16, which requires the recognition of all leases on the balance sheet (excluding low value and short-term exemptions less than oneyear term). IFRS16 introduces significant changes in lease accounting, including the recognition of right of use assets and a lease liability. Authorities must exercise judgement in:
  - Identifying lease contracts
  - Determining lease terms, especially where extension or termination options exist
  - Assessing discount rates for lease liabilities
  - The council assesses factors relating to whether the lease transfers substantially all of the risks and rewards of ownership.

These judgements are based on detailed analysis of the lease and the underlying economic realities of the arrangement, ensuring that the lease is accounted for accurately in line with the principles of IFRS 16.

**Note 4: Assumptions made about the future and other sources of estimation uncertainty**

058

Item	Uncertainties	Effect if actual results differ from assumptions
Property, Plant and Equipment, and Investment Property - depreciation	<p>Asset valuations are based on market prices and are periodically reviewed to ensure that the Council does not materially misstate the value of its non-current assets.</p> <p>The Council's external valuers, Wilks, Head and Eve LLP, provided valuations as at 31 March 2025 for all the Council's investment property portfolio and approximately 80% of its operational portfolio. The balance of operational properties was also reviewed to ensure values reflect current values. balance of operational properties was also reviewed to ensure values reflect current values.</p> <p>The estimated useful life of all operational properties is reviewed annually based on the advice from the Council's external valuers</p>	<p>A reduction in the estimated valuation would result in reduction of the Revaluation Reserve and/or an impairment loss being charged to the Comprehensive Income and Expenditure Statement (CIES). If the value of the Council's operational properties (Excluding Dwellings) were to reduce by 10% this would result in a valuation loss of £50.2m (£33.5m March 24).</p> <p>An increase in estimated valuations would result in increased revaluation gains to the Revaluation Reserve and/or reversals of impairments charged to the CIES in previous years.</p> <p>If estimated useful lives increase by one year this would reduce the depreciation charge of £24m by £0.5m.(£25m by £1.6m March 24)</p> <p>If estimated useful lives decrease by one year this would increase depreciation by £0.5m.(£1.4m March 2024)</p>
Fair value	The Council's external valuers use valuation techniques to determine the fair value of investment property and surplus property. This involves developing estimates and assumptions consistent with how market participants would price the property. The valuers base their assumptions on observable data as far as possible, but this is not always available, in which case, the valuers use the best information available.	Estimated fair values may differ from the actual prices that could be achieved in an arms-length transaction at the reporting date.
Pensions Liability	<p>Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets.</p> <p>The Council has engaged Barnett Waddingham, as its consulting actuaries, to provide the Council with expert advice about the assumptions to be applied.</p>	<p>Variations in the key assumptions will have the following impact on the net pension liability:</p> <p>(a) a 0.1% reduction in the discount rate will increase the net liability by £6m (£7m March 24).</p> <p>(b) a 0.1% increase in inflation will increase the net liability by £6m (£7m March 24).</p> <p>(c) an increase of one year in life expectancy will increase the liability by £14.4m (£18m March 24).</p>
Valuation of council dwellings	Council dwellings are valued on a beacon methodology. This uses comparable sales evidence from the local area for the relevant property adjusted for floor area, local house price movement and regional indices.	<p>A 10% reduction in the estimated value of HRA dwellings would be a revaluation loss of £62.2m.(£61m March 2024)</p> <p>If estimated useful lives are overstated by 5% this would increase depreciation by £0.5m.(£0.5m March 2024)</p>
Impairment allowance for doubtful debts	At 31 March 2025, the Council had an impairment allowance of £34.8m ( £34.2m, March 24) against gross short-term debtor balances totalling £90.0m (£73.8m March 24). It is not certain that this impairment allowance would be sufficient as the Council cannot assess with certainty which debts will be collected or not.	If the impairment allowance needed to increase by 5%, this would require a charge of £1.7m (£1.7m March 24).
Provisions	The Council has made a number of provisions for the estimated cost of settling liabilities in respect of insurance claims, legal disputes and business rates appeals. The provisions are based on the Council's best estimate of the amount required to settle the obligations.	If provisions were valued at a more conservative outcome, this would require an additional amount to be set-aside as an increase in the provision required.

**Note 5:      Material Items of Income and Expense**

For the purpose of this note the Council considers material items to be around £6m. The Council has two material items of expenditure in 2024/25:

1.   £36.30m (2023/24 £47.43m) to Slough Children's Services Trust for children's and young people services. The expenditure was charged to Children and learning Skills within the CIES.
- 2   In March 2022 the Department for Levelling Up, Housing and Communities (DLUHC) provided an "in principle" Capitalisation Direction of £307m to the Council under the Department's Extraordinary Financial Support programme. The Capitalisation Direction was issued in response to the S.114 Notice issued by the s.151 officer to the Council in July 2021. The s.114 Notice highlighted that the Council faced a significant unfunded financial deficit arising from financial challenges which have arisen over a number of years. The Capitalisation Direction subsequently approved in March 2024 is £348m for financial years to March 2028. The specific capitalisation direction reflected within the accounts for 2024/25 is £23.078m.

The Capitalisation Direction permits the Council to charge to capital, expenditure which would otherwise be revenue expenditure and then to finance the capitalised revenue expenditure from capital resources, namely by applying usable capital receipts and in the short-term setting aside minimum revenue provision.

The Capitalisation Directions reflected in the accounts up to 31 March 2025 are shown in the table below.

	pre 1 April 2021	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Total	150,491	59,966	56,614	46,325	23,078	336,474

**Note 6: Other Operating Expenditure**

2023/24		2024/25
£'000		£'000
266	Precepts	299
-	Payments to the Government Housing Capital Receipts Pool*	-
24,221	Gains/Losses on the Disposal of Non-Current Assets	(4,518)
<b>24,487</b>	<b>Total</b>	<b>(4,219)</b>

\* There was an announcement in 2022-23 that Local Authorities were not required to make a pooling payment for 2023-24

**Note 7: Financing and Investment Income and Expenditure**

2023/24		2024/25
£'000		£'000
21,600	Interest payable and similar charges	17,593
5,561	Net interest on the net defined benefit liability (asset)	4,071
(7,950)	Interest receivable and similar income	(3,051)
11,101	Income and expenditure in relation to investment properties and changes in their fair value	(7,596)
<b>30,312</b>	<b>Total</b>	<b>11,017</b>

**Note 8: Taxation and Non-Specific Grant Income**

2023/24		2024/25
£'000		£'000
(74,738)	Council tax income	(79,237)
(29,841)	Non-domestic rates income	(29,303)
(23,226)	Non-ringfenced government grants	(34,537)
(9,699)	Capital grants and contributions	3,057
<b>(137,504)</b>	<b>Total</b>	<b>(140,020)</b>



## Note 9: Expenditure and Funding Analysis

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

2023/24 restated					2024/25			
Net Expenditure Chargeable to the General Fund and HRA Balances	Capitalisation Direction	Adjustments between Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund and HRA Balances	Capitalisation Direction	Adjustments between Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
1,583	-	(625)	2,208	ED Monitoring Officer	2,150	-	69	2,081
5,591	-	(2,214)	7,805	Chief Execs Office	5,161	-	177	4,985
34,613	-	10,137	24,476	Corporate Services	28,275	(23,078)	21,550	29,803
21,882	-	(8,653)	30,536	ED Housing, Property & Planning	23,937	-	(4,167)	28,104
27,030	-	(10,690)	37,720	ED People (Adults)	45,886	-	(1,107)	46,994
33,994	-	(13,444)	47,438	ED People (Children)	46,528	-	(7,601)	54,125
16,534	-	(6,538)	23,072	ED Place & Communities	-	-	-	-
1,260	-	(498)	1,758	Public Health	1,020	-	(603)	1,622
(435)	-	3,840	(4,275)	Housing Revenue Account	(7,060)	-	778	(7,838)
<b>142,052</b>	<b>-</b>	<b>(28,685)</b>	<b>170,738</b>	<b>Net Cost of Services</b>	<b>145,894</b>	<b>(23,078)</b>	<b>9,096</b>	<b>159,876</b>
(129,030)	(46,325)		(82,705)	Other Income and Expenditure	(133,837)		(614)	(133,223)
<b>13,022</b>	<b>(46,325)</b>	<b>(28,685)</b>	<b>88,033</b>	(Surplus)/Deficit on the provision of services	<b>12,057</b>	<b>(23,078)</b>	<b>8,482</b>	<b>26,653</b>
(111,913)				General Fund and HRA balance brought forward	(98,891)			
13,022				<b>Less/plus (surplus) or deficit on General Fund and HRA balance in Year</b>	12,057			
(98,891)				<b>General fund and HRA balances carried forward</b>	(86,834)			

**Note 9a: Expenditure and Funding Analysis (continued)**

2023/24					2024/25			
Adjustments for Capital Purposes	Net Change for Pension Adjustments	Other Adjustments	Total Adjustments		Adjustments for Capital Purposes	Net Change for Pension Adjustments	Other Adjustments	Total Adjustments
£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
(749)	(11)	134	(626)	ED Monitoring Officer	-	69		69
(2,648)	(39)	474	(2,213)	Chief Execs Office	-	177		177
8,769	(121)	1,490	10,138	Corporate Services	(7,837)	6,169	139	(1,529)
(10,358)	(151)	1,856	(8,653)	ED Housing, Property & Planning	(4,910)	742		(4,168)
(12,796)	(187)	2,293	(10,690)	ED People (Adults)	(1,537)	430		(1,107)
(16,093)	(235)	2,884	(13,444)	ED People (Children)	(6,772)	(829)		(7,601)
(7,826)	(114)	1,402	(6,538)	ED Place & Communities				-
(597)	(9)	108	(498)	Public Health	(815)	213		(602)
4,735	(896)	-	3,839	Housing Revenue Account	926	27	(175)	778
<b>(37,563)</b>	<b>(1,763)</b>	<b>10,641</b>	<b>(28,685)</b>	<b>Net Cost of Services</b>	<b>(20,945)</b>	<b>6,998</b>	<b>(36)</b>	<b>(13,983)</b>
(46,325)	-		(46,325)	Other income and expenditure from the Funding Analysis	4,518			4,518
				Financing and Investment income and expenditure	2,848	(4,071)		(1,223)
				Taxation and non-specific grant income and expenditure	(2,989)		(920)	(3,909)
<b>(83,888)</b>	<b>(1,763)</b>	<b>10,641</b>	<b>(75,010)</b>	<b>Difference between General Fund (Surplus)/Deficit and the CIES (Surplus)/Deficit on Provision of Services</b>	<b>(16,568)</b>	<b>2,927</b>	<b>(956)</b>	<b>(14,597)</b>

**Note 9a: Expenditure and Funding Analysis (continued)****Adjustments for Capital Purposes**

This column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:

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

**Net Change for the Pensions Adjustments**

This column adjusts for the net change for the removal of pension contributions and the addition of IAS 19 *Employee Benefits* pension related expenditure and income:

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

**Other Statutory Adjustments**

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

Note 9b: Expenditure and Funding Analysis (continued)

- 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

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.

Note 9b: Expenditure and Funding Analysis (continued)

Expenditure and income analysed by nature

2023/24		2024/25
£'000		£'000
	<b>Expenditure</b>	
117,436	Employee Benefit Expenses	119,335
348,639	Other Service Expenses	333,681
23,333	Depreciation, Amortisation, Impairment	24,422
27,161	Interest Payments	21,664
266	Precepts and Levies	298
-	Payments to the Housing Capital Receipts Pool	-
59,029	Losses on disposal of non-current assets	2,669
22,170	Revaluation Loss on Property, Plant & Equipment	(8,206)
<b>598,034</b>	<b>Total expenditure</b>	<b>493,863</b>
	<b>Income</b>	
(154,790)	Fees, charges and other service income	(124,776)
(7,950)	Interest and investment income	(7,889)
(104,579)	Income from council tax, non-domestic rates	(108,540)
(207,874)	Government Grants and Contributions	(218,817)
(34,808)	Gains on the Disposal of Assets	(7,187)
<b>(510,001)</b>	<b>Total income</b>	<b>(467,209)</b>
<b>88,033</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>26,654</b>

Note 10: Partnership Arrangements

The Council has entered into two pooled budget arrangements, the Better Care Fund and Berkshire Community Equipment Store.

Better Care Fund (BCF)

The Council began hosting the Better Care Fund from the 1st April 2015. This is part of a national initiative to pool health and social care funding of services to achieve better health and care for the local community. The Better Care Fund is a partnership between NHS England, the Ministry of Housing, Communities and Local Government, the Department of Health and Social Care and the Local Government Association.

The Better Care fund is a pooled budget agreement and operates according to an agreement made under section 75 of the National Health Act 2006 between Slough Borough Council and Frimley Integrated Care Board.

In 2024/25 the fund comprised 35 schemes (30 schemes in 2023/24) grouped under the following headings:

- Social Care
- Community Health
- Mental Health

In 2024/25 Slough Borough Council funding included £3.989m of improved better care fund (BCF) grant (£3.989m in 2023/24). In accordance with the section 75 agreement, NHS funded services that are commissioned directly by the clinical commissioning group, do not require transactions to be via the Council.

Berkshire Community Equipment Store

The Berkshire Community Equipment Store (BCES) is provided jointly by the six Berkshire Unitary authorities and the Berkshire Clinical Commissioning Groups who are members of the agreement with West Berkshire Council as the lead partner. It seeks to support people to live as independently as possible at home. The memorandum account for the fund is as follows:

2023/24			2024/25	
BCF	BCES		BCF	BCES
£'000	£'000		£'000	£'000
(5,689)	(942)	Authority Funding	(6,166)	(866)
	(54)	Slough Children's First Funding		(55)
(7,954)	(12,026)	Partner Funding	(7,639)	(11,589)
(13,643)	(13,022)	Total Funding	(13,804)	(12,510)
5,689		Authority Expenditure	6,166	
7,954	13,022	Partner Expenditure	7,639	12,510
13,643	13,022	Total Expenditure	13,804	12,510

## Note 11: Members' Allowances

The Council paid allowances to its members in 2024/25 of £0.625 million (£0.598 million in 2023/24).

### Note 11a: Exit packages and termination benefits

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below.

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	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
							£'000	£'000
£0 - £20,000	12	2	36	44	48	46	157	74
£20,001 - £40,000	4	-	3	1	7	1	160	39
£40,001 - £60,000	1	2	-	-	1	2	42	98
£60,001 - £80,000	2	-	-	-	2	-	128	-
£80,001 - £100,000	1	-	-	-	1	-	87	-
£100,001 - £150,000	1	-	1	-	2	-	220	-
£150,001 - £200,000	-	1	-	-	-	1	-	187
£200,001 - £250,000	-	1	-	-	-	1	-	205
£300,001 - £350,000	-	1	-	-	-	1	-	334
£350,001 and over	2	-	-	-	2	-	586	-
<b>Total</b>	<b>23</b>	<b>7</b>	<b>40</b>	<b>45</b>	<b>63</b>	<b>52</b>	<b>1,382</b>	<b>937</b>

### Note 11b: Officers' Remuneration

The remuneration of senior employees, defined as those who are members of Management Board, or those holding statutory posts is shown below. In line with requirements, names are provided where salary exceeds £150,000.

2024/25	Salary including fees, allowances and compensation for loss of office £'000	Taxable Expenses £'000	Total Remuneration excluding Pension costs £'000	Employers Pension Contributions £'000	Total Remuneration including Pension contributions £'000	
<b>Post holder information</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<i>Note</i>
Chief Executive: William Tuckley	202		202		202	1
<b>Executive Director: Corporate Resources</b>			-		-	
1/04/2024-06/05/2024, (via agency)	21		21		21	2
Annabel Scholes (07/05/2024 onwards)	232		232	7	239	3
<b>Executive Director: Children's Services</b>	150		150	26	176	
<b>Director of: Public Health &amp; Public Protection</b>	140		140	24	164	
<b>Executive Director: Adults' Services</b>			-		-	
until 03/09/2024	61		61	4	65	
04/09/2024 onwards	58		58	10	68	
<b>Executive Director: Regeneration, Housing and Environment</b>	150		150	26	176	
<b>Director of Law and Governance (Monitoring Officer)</b>			-		-	
21/09/2022 to 31/03/2024	19		19		19	
01/05/2024 onwards (f)	112		112	21	133	
<b>Director of: Strategy and Transformation (15/07/2024 onwards) (g)</b>	84		84	15	99	

Note 1 Appointed to this post (15/04/2024). This amount represents the total paid to the agency, including their fees.

Note 2 This amount represents the total paid to the agency, including their fees.

Note 3 Held this post from the from 07/05/2024 to 01/01/2025 via Agency, and then from 02/02/2025 directly. The amount disclosed includes the total paid to the agency for fulfilling this role prior to permanent appointment, including agency fees, totalling £195k. Appointed as permanent employee from 02/02/2025.

Note 11b:      Officers' Remuneration (continued)

2023/24	Salary including fees, allowances and compensation for loss of office	Taxable Expenses	Total Remuneration excluding Pension costs	Employers Pension Contributions	Total Remuneration including Pension contributions	Note
	£'000	£'000	£'000	£'000	£'000	
Post holder information						
Chief Executive - S Brown	182	-	182	33	215	1
Executive Director: Adults' Services	132	-	132	29	161	
Executive Director: Children's Services	139	-	139	24	163	
Executive Director: Finance and Commercial (S151 Officer)	146	-	146	26	172	
Executive Director: Place and Communities (until August 2023)	177	-	177	10	187	
Executive Director: Regeneration, Housing and Environment	139	-	139	24	163	
Executive Director: Strategy and Transformation (until February 2024)	191	-	191	22	213	
Director of Law and Governance (Monitoring Officer) *	176		176	-	176	

Note 1:      This is the total paid to the agency, including their fees

**Note 11b: Officers' Remuneration (continued)**

The Council's other employees receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts:

Remuneration band	2023/24			2024/25		
	Number of employees			Number of employees		
	Schools	Non Schools	Total	Schools	Non Schools	Total
£50,001 - £55,000	15	49	64	47	55	102
£55,001 - £60,000	16	27	43	25	33	58
£60,001 - £65,000	14	19	33	21	6	27
£65,001 - £70,000	7	5	12	10	14	24
£70,001 - £75,000	3	4	7	11	7	18
£75,001 - £80,000	3	-	3	5	2	7
£80,001 - £85,000	3	-	3	6	4	10
£85,001 - £90,000	-	2	2	2	3	5
£90,001 - £95,000	-	2	2	3	-	3
£95,001 - £100,000	1	1	2	-	2	2
£100,001 - £105,000	-	3	3	1	6	7
£105,001 - £110,000	-	-	-	-	1	1
£110,001 - £115,000	-	1	1	2	3	5
£115,001 - £120,000	-	-	-	-	1	1
£120,001 - £125,000	1	1	2	-	-	-
£125,001 - £130,000	1	1	2	1	-	1
£130,001 - £135,000	-	1	1	-	-	-
£135,001 - £140,000	-	2	2	2	1	3
£140,001 - £145,000	-	-	-	-	-	-
£145,001 - £150,000	-	-	-	-	1	1
£150,001 - £155,000	-	-	-	-	1	1
£155,001 - £160,000	-	-	-	-	-	-
£160,001 - £165,000	-	1	1	-	-	-
£165,001 - £170,000	-	-	-	-	-	-
£170,001 - £175,000	-	-	-	-	-	-
£175,001 - £180,000	-	-	-	-	-	-
£180,001 - £185,000	-	1	1	-	-	-
<b>Total</b>	<b>64</b>	<b>120</b>	<b>183</b>	<b>136</b>	<b>140</b>	<b>276</b>

Note: The figures do not include staff employed by academies.



## Note 12: External Audit Fees

The Council's external auditors for the audit of the Statement of Account in 2024/25 are Grant Thornton LLP. The Council's external auditors for the certification of grant claims are Grant Thornton LLP. The Authority has incurred the following expenditure for services provided by the external auditors for the relevant year:

2023/24		2024/25
£'000		£'000
485	Fees payable to external auditors with regard to external audit services carried out by the appointed auditor for the year	526
-	Fees payable in respect of other services provided by external auditors during the year	135
-	Prior years' accrual adjustments*	(1,026)
<b>485</b>		<b>(365)</b>

\*The 2024/25 fee noted above is an estimate; due to ongoing work, the final fee is subject to change and will differ from the amount accrued in the accounts, shown above, because the fees are still subject to approval by PSAA. The £1.026m prior years' accrual adjustment is due to accruing at scale fee levels in previous years, but actual audit costs being lower due to the back stop arrangements.

## Note 13: Dedicated Schools Grant (DSG)

The Council's expenditure on schools is funded primarily by grant monies provided by the Department for Education, the Dedicated Schools Grant (DSG). An element of DSG is recouped by the Department to fund academy schools in the council's area. DSG is ringfenced and can only be applied to meet expenditure properly included in the Schools Budget, as defined in the Schools and Early Years Finance (England) Regulations 2017. Schools Budget includes elements for a range of educational services provided on an authority-wide basis and the Individual Schools Budget, which is divided into a budget share for each maintained school, funding for early years providers, and high-needs payments to providers.

2023/24			Schools budget funded by Dedicated Schools Grant	2024/25		
Central expenditure	Individual Schools budget (ISB)	Total		Central expenditure	Individual Schools budget (ISB)	Total
£'000	£'000	£'000		£'000	£'000	£'000
		214,987	Final DSG before Academy recoupment			231,857
		131,586	less Academy figure recouped			139,601
		<b>83,401</b>	<b>Total DSG after recoupment</b>			<b>92,256</b>
		10,513	Plus brought forward DSG			15,294
		-	Less: carry forward to future years agreed in advance			(15,294)
<b>23,683</b>	<b>53,477</b>	<b>93,914</b>	<b>Agreed Initial budgeted distribution</b>	<b>29,350</b>	<b>62,906</b>	<b>92,256</b>
4,590	134	4,724	In year adjustments	2,070	(743)	1,327
<b>34,115</b>	<b>53,477</b>	<b>98,638</b>	<b>Final Budgeted Distribution</b>	<b>31,420</b>	<b>62,163</b>	<b>93,583</b>
28,674	-	28,674	less Actual central expenditure	31,773	-	31,773
-	54,670	54,670	less Actual ISB deployed to schools	-	62,163	62,163
-	-	-	plus local authority contributions for the year	-	-	-
<b>5,441</b>	<b>(1,193)</b>	<b>15,294</b>	<b>In-year-carry forward</b>	<b>(353)</b>	-	<b>(353)</b>
		-	Plus: carry forward to future years agreed in advance	-	-	15,294
		15,294	Carry forward to future year			14,941
		(25,430)	Total of DSG unusable reserve at the end of the year			(25,430)
		<b>(10,136)</b>	<b>Net DSG position at the end of the year</b>			<b>(10,489)</b>

## Note 14: Grant Income

The authority credited the following grants and contributions to the Comprehensive Income and Expenditure Statement

2023/24		2024/25
£'000		£'000
	<b>Credited to Taxation and non-specific grant income</b>	
	<b>Non-ringfenced government grants</b>	
(3,678)	PFI Grant	(3,678)
(11,221)	Section 31 Grant	(11,125)
(8,915)	Adult Social Care Grant	(10,143)
(6,722)	Revenue Support Grant	(7,786)
(5)	New Homes Bonus Grant	(501)
(1,078)	Covid Grants	(508)
(523)	Services Grant	(211)
-	Other Grants	(586)
<b>(32,142)</b>	<b>Total of Non-ringfenced government grants</b>	<b>(34,538)</b>
-	Capital grant and contributions	3,057
<b>(32,142)</b>	<b>Total credited to Taxation and non-specific grant income</b>	<b>(31,481)</b>
	Credited to services	
-	Individual Placement Project	(2,065)
(83,401)	Dedicated Schools Grant	(90,720)
(4,410)	DSG - Safety Valve Funding	(2,070)
(37,319)	DWP Subsidy	(41,450)
(8,107)	Public Health Grant	(8,214)
(1,207)	Market Sustainability and Fair Cost of Care Fund	(2,255)
(662)	COVID-19	-
(4,931)	YPLA Post 16 Funding	(3,053)
(5,767)	Education Grants	(6,697)
(4,786)	Pupil Premium	(2,637)
(671)	Children Services Grant	(653)
(4,083)	Improved Better Care Fund	(3,989)
(1,035)	Homelessness Prevention Grant	(1,354)
(559)	Adult Social Care Grant	(932)
(780)	Rough Sleepers Initiative Grant	(1,924)
(575)	Rough Sleeping, Drug and Alcohol Treatment Grant	(524)
(1,587)	Household Support Grant	(4,517)
(6,713)	Other grants	(11,224)
<b>(166,593)</b>	<b>Total of Government Grant credited to Net Cost of Services</b>	<b>(184,278)</b>
<b>(198,735)</b>	<b>Total of grants and contributions to the Comprehensive Income and Expenditure Statement</b>	<b>(215,759)</b>

**Note 14: Grant Income (continued)****Revenue grants and contributions receipts in advance (current liabilities)**

2023/24	Revenue grants and contributions receipts in advance (current liabilities)	2024/25
£'000		£'000
	- DWP Grant	(2,100)
	- Business Rates Transitional Relief Grant	(1,301)
	- Other Grants	(6,941)
	- <b>Total</b>	<b>(10,342)</b>

**Capital grants and contributions receipts in advance (non-current liabilities)**

2023/24	Capital grants and contributions receipts in advance (non-current liabilities)	2024/25
£'000		£'000
	- DfT Travel Grant	(9,046)
	- LEP Local Growth Fund Grant	(1,951)
	- NetZero CapitalGrant(DESNZ)	(1,316)
	- Local Transport Capital Block Grant (DfT)	(4,383)
	- Sponge City Grant (Environment Agency)	(1,434)
	- Disabled Facilities Grant (MHCLG)	(459)
	- S106 Grants	(14,627)
	- Commuted Sums	(307)
	- Other Grants	(760)
	- <b>Total</b>	<b>(34,283)</b>
	- <b>Total Grants Receipts in Advance</b>	<b>(44,625)</b>

Note: The amounts in the two tables above were not separately disclosed for 2023/24, with the amounts combined within short and long term liabilities.

## Note 15: Adjustments Between Accounting Basis and Funding Basis Under Regulations

The resources available to the Council in any financial year and the expenses that are charged against those resources are specified by statute (the Local Government Act 2003 and the 2003 Regulations). Where the statutory provisions differ from the accruals basis used in the Comprehensive Income and Expenditure Statement, adjustments to the accounting treatment are made in the Movement in Reserves Statement (MIRS) so that usable reserves reflect the funding available at the year-end. Unusable reserves are created to manage the timing differences between the accounting and funding bases. The material adjustments are:

Expense	Accounting Basis in CIES	Funding Basis in MIRS	Adjustment Account
Property, plant and Equipment	Depreciation and revaluation/impairment losses	Minimum Revenue provision (MRP) to cover historical cost determined in accordance with the 2003 Regulations	Capital Adjustment Account
Intangible Assets	Amortisation and impairment	Minimum Revenue provision (MRP) to cover historical cost determined in accordance with the 2003 Regulations	Capital Adjustment Account
Investment Properties	Movements in fair value	Minimum Revenue provision (MRP) to cover historical cost determined in accordance with the 2003 Regulations	Capital Adjustment Account
Revenue Expenditure Funded from Capital under Statute	Expenditure incurred in 2024/25	Minimum Revenue provision (MRP) to cover historical cost determined in accordance with the 2003 Regulations	Capital Adjustment Account
Capital Grants and Contributions	Grants that became unconditional in 2024/25 or were received in 2024/25 without conditions	No credit	Capital Grants Unapplied Reserve (amounts unapplied at 31 March 2025) Capital Adjustment Account (other amounts)
Financial Instruments	Premiums payable and discounts receivable on the early repayment of borrowing in 2024/25	Deferred debits and credits of premiums and discounts from earlier years in accordance with the 2003 Regulations	Financial Instruments Adjustment Account
	Losses on soft loans and interest receivable in 2024/25 on an amortised cost basis	Interest due to be received on soft loans in 2024/25	
Pooled Investments	Movements in the fair value of pooled investment funds	Historical cost gains/losses for money market fund investments disposed of in 2024/25	Pooled Investment Funds Adjustment Account
Pensions Costs	Movements in pensions assets and liabilities (see Note 32)	Employer's pensions contributions payable and direct payments made by the Council to pensioners for 2024/25	Pensions Reserve
Council Tax	Accrued income from 2024/25 bills	Demand on the Collection Fund for 2024/25 plus share of estimated surplus	Collection Fund Adjustment Account
Business Rates	Accrued income from 2024/23 bills	Budgeted income receivable from the Collection Fund for 2024/25 plus share of estimated surplus	Collection Fund Adjustment Account
Dedicated Schools Grant	Expenditure incurred in 2024/25 to be met from Dedicated Schools Grant	Expenditure incurred up to the grant receivable for 2024/25	Dedicated Schools Grant Adjustment Account
Holiday Pay	Projected cost of untaken leave entitlements at 31 March 2025	No charge	Accumulated Absences Adjustment Account

**Note 15: Adjustments Between Accounting Basis and Funding Basis Under Regulations (continued)**

2024/25	Usable Reserves						Corresponding Unusable Reserves
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserves	Major Repairs Reserves	Capital Grants Unapplied	Unusable Reserves	
	£'000	£'000	£'000	£'000	£'000	£'000	

**Adjustments to Revenue Resources**

Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement differ from increases / decreases in revenue for the year calculated in accordance with statutory requirements:

• Pension costs	3,632	(705)				(2,927)	Pensions reserve
• Financial instruments	58	-				(58)	Financial instruments adjustment account
• Financial instruments revaluation reserve	-	(910)	-			910	Financial instruments revaluation reserve
• Council tax & business rates	(920)					920	Collection fund adjustment account
• Holiday pay	512	-				(512)	Accumulated absences account
• Capital expenditure	(3,268)	7,849	(19,174)	(9,848)	4,939	19,506	Capital Adjustment Account

**Capital and Revenue Financing**

Resources set aside for capital financing	2,233		1,345	13,944	9,124	(26,646)	Capital Adjustment Account
Adjustment for the repayment of loans	-	-	75,589			(75,589)	Capital Adjustment Account
Use of capital receipts for revenue purposes	(23,078)	-				23,078	Capital Adjustment Account
<b>Total adjustments</b>	<b>(21,741)</b>	<b>7,144</b>	<b>57,760</b>	<b>4,096</b>	<b>14,063</b>	<b>(61,318)</b>	

2023/24	Usable Reserves						Corresponding Unusable Reserves
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserves	Major Repairs Reserves	Capital Grants Unapplied	Unusable Reserves	
	£'000	£'000	£'000	£'000	£'000	£'000	

**Adjustments to Revenue Resources**

Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement differ from increases / decreases in revenue for the year calculated in accordance with statutory requirements:

• Pension costs	(867)	(896)	-	-	-	1,763	Pensions Reserve
• Council tax & business rates	11,108	-				(11,108)	Collection Fund Adjustment Account
• Holiday pay	233	-	-	-	-	(233)	Accumulated Absences Account
• Financial Instruments	277	-				(277)	Financial Instruments Adjustment Account
• Capital expenditure	(43,277)	4,736	(34,637)	(10,011)	(8,720)	91,909	Capital Adjustment Account

**Capital and Revenue Financing**

Resources set aside for capital financing		-	31,394	9,805	6,460	(47,659)	Capital Adjustment Account
Adjustment for the repayment of loans	-	-	(10,243)	-	-	10,243	Capital Adjustment Account
Use of capital receipts for revenue purposes	(46,325)	-	-	-	-	46,325	Capital Adjustment Account
<b>Total adjustments</b>	<b>(78,851)</b>	<b>3,840</b>	<b>(13,486)</b>	<b>(206)</b>	<b>(2,260)</b>	<b>90,963</b>	

**Note 16: Unusable reserves**

2024/25	Adjustments between Accounting and Funding Basis					
Unusable Reserves	Opening Balance 1 April	Other Comprehensive Income and Expenditure	Adjustments to Revenue Resources	Capital and Revenue Financing	Other Movements*	Closing Balance 31 March
	£'000	£'000	£'000	£'000	£'000	£'000
Revaluation Reserve	(476,498)	6,221	-	-	13,134	(457,143)
Capital Adjustment Account	49,853	-	36,543	(96,194)	(13,134)	(22,932)
Collection Fund Adjustment Account	430	-	920	-	-	1,350
Dedicated Schools Grant Adjustment Account	25,430	-	-	-	-	25,430
Accumulated Absences Account	1,003	-	(512)	-	-	491
Financial Instruments Adjustment Account	395	-	(58)	-	-	337
Pooled Investments Fund Adjustment Account	(910)	-	910	-	-	(0)
Pensions Reserve	108,109	(58,666)	(2,927)	-	-	46,516
Deferred Capital Receipts Reserve	(602)	-	-	-	-	(602)
<b>Total adjustments</b>	<b>(292,790)</b>	<b>(52,445)</b>	<b>34,876</b>	<b>(96,194)</b>	<b>-</b>	<b>(406,553)</b>

2023/24	Adjustments between Accounting and Funding Basis					
Unusable Reserves	Opening Balance 1 April	Other Comprehensive Income and Expenditure	Adjustments to Revenue Resources	Capital and Revenue Financing	Other Movements*	Closing Balance 31 March
	£'000	£'000	£'000	£'000	£'000	£'000
Revaluation Reserve	(504,678)	7,819	-	-	20,361	(476,498)
Capital Adjustment Account	(30,602)	-	131,710	(41,136)	(10,119)	49,853
Collection Fund Adjustment Account	11,539	-	(11,109)	-	-	430
Dedicated Schools Grant Adjustment Account	25,430	-	-	-	-	25,430
Accumulated Absences Account	1,235	-	(232)	-	-	1,003
Financial Instruments Adjustment Account	672	-	-	-	(277)	395
Pooled Investments Fund Adjustment Account	(911)	-	-	-	1	(910)
Pensions Reserve	122,164	(15,818)	1,763	-	-	108,109
Deferred Capital Receipts Reserve	(601)	-	-	-	(1)	(602)
<b>Total adjustments</b>	<b>(375,752)</b>	<b>(7,999)</b>	<b>122,132</b>	<b>(41,136)</b>	<b>9,965</b>	<b>(292,790)</b>

Note 16a: Revaluation Reserve

The revaluation reserve contains the gains made by the Council arising from increases in the value of its property, plant and equipment [and intangible assets]. 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.

2023/24		2024/25
£'000		£'000
(504,678)	Balance at 1 April	(476,498)
9,706	Upward revaluation of assets	
	Downward revaluation of assets and impairment losses not charged to the surplus/deficit on the provision of services	6,221
(1,887)	Other adjusting amounts	-
7,819	Surplus or deficit on revaluation of non-current assets not charged to the Surplus or Deficit on the Provision of Services	6,221
6,988	Difference between fair value depreciation and historical cost depreciation	7,136
	Accumulated gains on assets sold or scrapped	-
13,373	Other Adjusting Amounts Written Off to the Capital Adjustment Account	5,998
20,361	Total amount written off to the Capital Adjustment Account	13,134
(476,498)	Balance 31 March	(457,143)



## Note 16b: 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 additions to 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. The account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and subsequent expenditure.

The account contains accumulated gains and losses on investment properties.

The account also contains revaluation gains accumulated on property, plant and equipment before 1 April 2007, the date that the revaluation reserve was created to hold such gains.

Note 15 provides details of the source of all the transactions posted to the account, apart from those involving the revaluation reserve.

2023/24		2024/25
£'000		£'000
(30,602)	<b>Balance at 1 April</b>	<b>49,853</b>
	<b>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:</b>	
23,528	Charges for depreciation and impairment of non-current assets	24,218
22,170	Revaluation and Impairment Losses on Property, Plant and Equipment	(8,175)
(195)	Amortisation of Intangible Assets	226
1,573	Revenue Expenditure Funded from Capital Under Statute	5,620
-	Fair Value Adjustment of Loans	
58,859	Amounts of Non-Current Assets written off on disposal as part of the Gain/Loss on Disposal to the Comprehensive Income and Expenditure Statement	14,707
46,325	Capitalisation Direction	23,078
-	Other Adjustments	
<b>152,260</b>		<b>59,674</b>
(13,373)	Valuation of assets disposed of in the Comprehensive Income and Expenditure Statement	(5,998)
(6,988)	Difference in Current Cost and Fair Value depreciation	(7,136)
<b>(20,361)</b>	<b>Net written out amount of the cost of non-current assets consumed in the year</b>	<b>(13,134)</b>
	<b>Capital financing applied in the year:</b>	
2,184	Use of the capital receipts reserve to finance new capital expenditure	(1,345)
-	Revenue contributions to fund capital expenditure	(170)
(9,806)	Use of the major repairs reserve to finance new capital expenditure*	(13,944)
(6,460)	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	
(9,083)	Application of grants to capital financing from the capital grants unapplied account	
(15,968)	Statutory provision for the financing of capital investment charged against the General Fund and HRA balances	(16,799)
	Use of Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement applied to repay capital financing requirement	(11,426)
(10,113)	Use of Loan Repayments to Reduce CFR	
-	Use of Loan Repayments to Reduce Capitalisation Direction	
-	Use of Capital Receipts to Reduce HRA Capital Financing Requirement	
(23,465)	Use of Capital Receipts to Reduce Capitalisation Direction Element CFR	(75,589)
<b>(72,711)</b>		<b>(119,273)</b>
14,857	Movement in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement	(21)
(3,833)	Other Movements	(31)
10,243	Adjustment for the repayment of loans	-
<b>49,853</b>	<b>Balance at 31 March</b>	<b>(22,932)</b>

## Note 16c: Collection Fund Adjustment Account

The Collection Fund adjustment account manages the differences arising from the recognition of Council Tax and NNDR income in the Comprehensive Income and Expenditure Statement as it falls due from Council Tax payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

2023/24		2024/25
£'000		£'000
11,539	Balance at 1 April	430
(11,109)	Amount by which council tax and non-domestic rates income credited to the CIES is different from council tax income calculated for the year in accordance with statutory requirements	920
430	Balance at 31 March	1,350

## Note 16d: Dedicated Schools Grant Adjustment Account

The Dedicated Schools Grant Adjustment Account

2023/24		2024/25
£'000		£'000
25,430	Balance at 1 April	25,430
-	- Adjustment to opening balance	
-	- Transfer of schools deficit to DSG Account	-
25,430	Balance at 31 March	25,430

## Note 16e: Accumulated Absences Account

2023/24		2024/25
£'000		£'000
1,235	Balance at 1 April	1,003
(1,235)	Settlement or cancellation of accrual made at the end of preceding year	(1,003)
1,003	Amounts accrued at the end of the current year	491
1,003	Balance at 31 March	491

Note 16f: Financial Instruments Adjustment Account

The financial instruments adjustment account absorbs the timing differences arising from the different arrangements for accounting for income and expenditure relating to certain financial instruments and for bearing losses or benefitting from gains per statutory provisions.

2023/24		2024/25
£'000		£'000
672	Balance at 1 April	395
(277)	Amount by which finance costs charged to the CIES are different from finance costs chargeable in the year in accordance with statutory requirements Premiums incurred in the year and charged to the CIES	(58)
395	Balance 31 March	337

Note 16g: Pooled Investment Funds Adjustment Account

This reserve is (credited)/debited with (gains)/losses arising from the revaluation of financial instruments held at fair value through other comprehensive income (FVOCI).

2023/24		2024/25
£'000		£'000
(911)	Balance 1 April	(911)
-	Fair value movements transferred to/from the General Fund in accordance with the statutory requirements	911
(911)	Balance 31 March	-

Note 16h: Pensions Reserve

The pensions reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the 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 Council 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 Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2023/24		2024/25
£'000		£'000
122,160	Balance at 1 April	108,109
(15,818)	Actuarial gains/(losses) on pensions assets & liabilities	(58,666)
14,975	Reversal of items relating to retirement benefits debited or credited to the (Surplus)/deficit on provision of services in the Comprehensive Income & Expenditure Statement	11,507
(13,212)	Employer's pensions contributions & direct payments to pensioners payable in the year	(14,434)
108,109	Balance at 31 March	46,516

**Note 16i:    Deferred Capital Receipts Reserve**

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

2023/24		2024/25
£'000		£'000
(602)	Balance at 1 April	(602)
	- Recognition of deferred capital receipt	-
	- Realisation of deferred capital receipt transferred to CRR	-
(602)	Balance at 31 March	(602)

## Note 17: Transfers to/from 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.

Movement in Earmarked reserves restated	1 April 2023	Transfers in	Transfers out	31 March 2024	Adjustments*	Transfers in	Transfers out	31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Transformation reserve	(4,469)	(922)		(5,391)			1,733	(3,658)
Budget smoothing reserve*	(26,242)	(2,538)	24,937	(3,843)	(5,873)		4,612	(5,104)
Directorate carry forwards	(2,457)		1,396	(1,061)		(123)	998	(186)
Redundancy reserve	(7,500)		1,585	(5,915)			742	(5,173)
Risk reserve		(2,098)		(2,098)		(1,411)	2,291	(1,218)
General fund other reserves	(7,162)	(3,592)	609	(10,146)		(650)	6,212	(4,584)
<b>General fund earmarked reserves</b>	<b>(47,830)</b>	<b>(9,150)</b>	<b>28,527</b>	<b>(28,453)</b>	<b>(5,873)</b>	<b>(2,184)</b>	<b>16,588</b>	<b>(19,923)</b>
Schools - other	(10,523)		510	(10,013)		(1,113)	1,213	(9,913)
DSG usable reserves	(10,513)	(5,599)	818	(15,294)		353		(14,941)
<b>Total earmarked reserves</b>	<b>(68,866)</b>	<b>(14,749)</b>	<b>29,855</b>	<b>(53,760)</b>	<b>(5,873)</b>	<b>(2,944)</b>	<b>17,801</b>	<b>(44,777)</b>

\* The opening balance in the budget smoothing reserve has been adjusted by £5.873m linked to the HRA. For more information see note 1 to the HRA.

Name	Purpose
Transformation Reserve	amounts held for the purposes of service transformations projects
Budget Smoothing	To smooth out the impact of funding reductions and other budget pressures
Directorate Carry Forwards	To hold revenue grant income received for which there are no conditions but which are earmarked for specific projects/purposes.
Redundancy reserve	Amounts set aside for staffing costs coming out of reorganisations
Risk Reserve	Balances created following a review of balance sheet items to address legacy liabilities, accounting adjustments and risk provisions
General Fund other reserves	To assist with the future sustainability of the Council.
Schools reserves	To hold unused balances of budgets delegated to individual schools, which are not available to the Council for general use.
DSG Usable reserve	To hold the ring-fenced Dedicated Schools Grant balance

## Note 18: Property, Plant and Equipment

### Movements on balances

The tables on the following pages show a breakdown of the opening and closing values of PPE assets and summarise the transactions during the year, for each class of asset.

Movements in 2024/25	Operational assets					Non-operational assets		Total
	Council dwellings	Other land and buildings	Vehicles, plant and equipment	Infrastructure assets	Community assets	Surplus assets	Assets under construction	Property, plant and equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>								
<b>At 1 April 2024</b>	<b>614,414</b>	<b>303,704</b>	<b>78,863</b>	<b>146,217</b>	<b>9,953</b>	<b>46,462</b>	<b>1,296</b>	<b>1,200,909</b>
Adjustment to opening balances - gross/depreciation split	(6,241)	502	254	(14,109)				(19,594)
Adjustment for ROU Assets Under IFRS16*		4,230	828					5,058
<b>Restated balance at 1 April 2024</b>	<b>608,173</b>	<b>308,436</b>	<b>79,945</b>	<b>132,108</b>	<b>9,953</b>	<b>46,462</b>	<b>1,296</b>	<b>1,186,373</b>
Adjustments to cost/value & depreciation/impairment	(9,511)	(4,225)	(1,733)			(254)		(15,723)
Additions	14,602	1,342	1,882	2,383		(76)	780	20,913
Revaluation increases/(decreases) recognised in the revaluation reserve	10,439	(24,667)	1,160			2,783		(10,285)
Revaluation increases/(decreases) recognised in the surplus/(deficit) on the provision of services	2,210	6,307	164			(496)		8,185
Derecognition – disposals	(3,828)	(4,388)				(2,561)	(226)	(11,003)
Derecognition – other								-
Assets reclassified (to)/from held for sale		(352)				(2,556)		(2,908)
Other movements in cost or valuation		(2,220)	(1,287)		(54)	-21064	(174)	(24,799)
<b>At 31 March 2025</b>	<b>622,085</b>	<b>280,233</b>	<b>80,131</b>	<b>134,491</b>	<b>9,899</b>	<b>22,238</b>	<b>1,676</b>	<b>1,150,753</b>
<b>Accumulated depreciation and impairment</b>								
<b>At 1 April 2024</b>	<b>(6,241)</b>	<b>(52)</b>	<b>(25,246)</b>	<b>(79,967)</b>	<b>(64)</b>	<b>(201)</b>	<b>(3)</b>	<b>(111,774)</b>
Adjustment to opening balances - gross/depreciation split	6,241	(502)	(254)	14,109				19,594
<b>Restated balance at 1 April 2024</b>	<b>-</b>	<b>(554)</b>	<b>(25,500)</b>	<b>(65,858)</b>	<b>(64)</b>	<b>(201)</b>	<b>(3)</b>	<b>(92,180)</b>
Adjustments to cost/value & depreciation/impairment	9,511	4,225	1,733	-	-	254	-	15,723
Depreciation charge	(9,571)	(3,811)	(4,058)	(6,661)	(12)	(105)		(24,218)
Depreciation written out to the revaluation reserve								-
Depreciation written out to the surplus/(deficit) on the provision of services								
Derecognition – disposals	60					5	1	66
Derecognition – other								-
Reclassified as Assets Held for Sale		5						5
Other movements in depreciation and impairment		(144)	292			(148)		-
<b>At 31 March 2025</b>	<b>-</b>	<b>(279)</b>	<b>(27,533)</b>	<b>(72,519)</b>	<b>(76)</b>	<b>(195)</b>	<b>(2)</b>	<b>(100,604)</b>
<b>Net book value at 31 March 2025</b>	<b>622,085</b>	<b>279,954</b>	<b>52,598</b>	<b>61,972</b>	<b>9,823</b>	<b>22,043</b>	<b>1,674</b>	<b>1,050,149</b>
<b>Net book value at 31 March 2024</b>	<b>608,173</b>	<b>307,882</b>	<b>54,445</b>	<b>66,250</b>	<b>9,889</b>	<b>46,261</b>	<b>1,293</b>	<b>1,094,193</b>

\*The implementation of IFRS16 has taken place this year, therefore the opening balance has been adjusted to include the Right-Of-Use assets.

**Note 18: Property, Plant and Equipment (continued)**

Values as at 31-March-2024

The tables on the following pages show a breakdown of the opening and closing values of PPE assets and summarise the transactions during the year, for each class of asset.

Movements in 2023/24	Operational assets					Non-operational assets		Total
	Council dwellings restated*	Other land and buildings restated	Vehicles, plant and equipment	Infrastructure assets	Community assets	Surplus assets	Assets under construction	Property, plant and equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>								
At 1 April 2023	618,059	336,493	77,753	142,767	9,848	23,668	16,008	1,224,596
Adjustment to opening balances	2,066	6,088	2,170		105	(288)	(11,348)	(1,207)
Restated balance at 1 April 2023	620,125	342,581	79,923	142,767	9,953	23,380	4,660	1,223,389
Adjustments to cost/value & depreciation/impairment	(9,665)	(5,121)	(4,145)			(46)		(18,977)
Additions	9,813	1,128	267	3,450		907	173	15,738
Revaluation increases/(decreases) recognised in the revaluation reserve	(1,407)	(16,879)	8,197	-	-	601	(212)	(9,700)
Revaluation increases/(decreases) recognised in the surplus/(deficit) on the provision of services	(798)	(16,628)	(4,139)	-	-	(593)	(4)	(22,162)
Derecognition – disposals	(3,654)	-	(1,005)	-	-	(10,973)	(25)	(15,657)
Derecognition – other							(3,248)	(3,248)
Assets reclassified (to)/from held for sale								-
Other movements in cost or valuation		(1,299)	(222)			33,186	(48)	31,617
At 31 March 2024	614,414	303,704	78,863	146,217	9,953	46,462	1,296	1,200,909
<b>Accumulated depreciation and impairment</b>								
At 1 April 2023	(6,240)	(1,340)	(27,163)	(73,184)	(52)	(196)	(3)	(108,178)
Adjustments to cost/value & depreciation/impairment	9,665	5,121	4,145			46		18,977
Depreciation charge	(9,721)	(3,754)	(3,296)	(6,783)	(12)	(51)		(23,617)
Depreciation written out to the revaluation reserve	-	-	-	-	-	-	-	-
Depreciation written out to the surplus/(deficit) on the provision of services	-	-	-	-	-	-	-	-
Derecognition – disposals	55	-	989			-		1,044
Derecognition – other								
Reclassified as Assets Held for Sale								
Other movements in depreciation and impairment	-	(79)	79	-	-	-	-	-
At 31 March 2024	(6,241)	(52)	(25,246)	(79,967)	(64)	(201)	(3)	(111,774)
Net book value at 31 March 2024	608,173	303,652	53,617	66,250	9,889	46,261	1,293	1,089,135
Net book value at 31 March 2023	613,885	341,241	52,760	69,583	9,901	23,184	4,657	1,115,211



**Note 18:      Property, Plant and Equipment (continued)**

**Revaluations**

The Council undertakes a rolling programme that ensures that all relevant property, plant and equipment required to be measured at current value is measured at least every five years. The valuations for 2024/25 have been undertaken by external valuers 'Wilkes Head and Eve'.

Valuations of land and buildings have been carried out in accordance with the methodologies and bases of estimation, as set out in the professional standards of the Royal Institute of Chartered Surveyors. Currently we do not re-value vehicles, plant, furniture or equipment assets as these tend to be of a finite (short term) life. Where there is a revaluation of Vehicles, Plant and Equipment this is because the asset is one component of a Land and Buildings asset.

Specialised properties are assumed to have no active market but the land element could potentially be sold at its market value. It is assumed the building costs would be in line with the published indices.

The following table shows the progress of the Council's rolling programme for the revaluation of council dwellings, land and buildings as at 31st March 2025:

	2024/25
	£'000
Council Dwellings	622,085
Land and Buildings	279,954
Surplus	22,043
<b>Assets subject to valuation</b>	<b>924,082</b>
Infrastructure	61,972
Community	9,823
Vehicles, Plant and Equipment	52,598
Assets under Construction	1,674
<b>Assets not subject to valuation</b>	<b>126,067</b>
<b>Total value of assets</b>	<b>1,050,149</b>

**Note 18: Property, Plant and Equipment (continued)****Revaluations**

The Council undertakes a rolling programme that ensures that all relevant property, plant and equipment required to be measured at current value is measured at least every five years. The valuations for 2023/24 have been undertaken by external valuers 'Wilkes Head and Eve'.

Valuations of land and buildings have been carried out in accordance with the methodologies and bases of estimation, as set out in the professional standards of the Royal Institute of Chartered Surveyors. Currently we do not re-value vehicles, plant, furniture or equipment assets as these tend to be of a finite (short term) life.

Specialised properties are assumed to have no active market but the land element could potentially be sold at its market value. It is assumed the building costs would be in line with the published indices.

The following table shows the progress of the Council's rolling programme for the revaluation of council dwellings, land and buildings as at 31st March 2024:

	2023/24
	£'000
Council Dwellings	608,173
Land and Buildings	307,882
Surplus	46,261
<b>Assets subject to valuation</b>	<b>962,316</b>
Infrastructure	66,250
Community	9,889
Vehicles, Plant and Equipment	54,445
Assets under Construction	1,293
<b>Assets not subject to valuation</b>	<b>131,877</b>
<b>Total value of assets</b>	<b>1,094,193</b>

**Assets that are Revalued – by Category**

	Council dwellings	Other land and buildings	Surplus assets	Total
	£'000	£'000	£'000	£'000
Carried at historical cost				-
Valued at current value as at:				
31/03/2025	622,085	268,167	21,688	911,940
31/03/2024		-		-
31/03/2023	-	10,365	301	10,666
31/03/2022	-	-	-	-
31/03/2021	-	-	-	-
31/03/2020		1,395		1,395
31/03/2019		27		27
Valued at Historic Cost		-		-
Previously Community Asset Valued at Historic Cost			54	54
<b>Total Cost or valuation</b>	<b>622,085</b>	<b>279,954</b>	<b>22,043</b>	<b>924,082</b>

- Council dwellings - the assumption is that the Beacon assets are typical of their asset class and that all properties will continue to be let for social housing purposes.
- Surplus assets - Are valued and assumed that they are comparable to similar assets in the local market with planning permission. This is a level 2 valuation under the Fair Value Hierarchy.
- For other property, plant and equipment it is assumed that local market conditions provide an accurate guide as to the appropriate valuations.

Note 18b: Infrastructure Assets

Infrastructure assets are measured on a depreciated historical cost basis. However, the accounting rules that applied before 1 April 1994 mean that the carrying amount only reliably includes expenditure on acquisition and enhancement incurred after this date. Expenditure incurred before this date is only included to the extent that it had not been financed before the end of the 1993/94 financial year. An update to the Code and Specifications for Future Codes for Infrastructure Assets come into force in 25 December 2022, temporarily removing the need to disclose gross cost and accumulated depreciation of infrastructure assets until 31 March 2025

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 because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements. All replaced infrastructure components are determined to have fully depreciated and have a net amount of nil. This is particularly true for Slough as it inherited infrastructure assets when it became a unitary authority in 1998.

The Council has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets

2023/24		2024/25
£'000		£'000
69,583	Balance at 1 April	66,250
3,450	Additions	2,383
(6,783)	Depreciation	(6,661)
66,250	Balance at 31 March	61,972

The authority has determined in accordance with Regulation [30M England] of the Local Authorities (Capital Finance and Accounting) (England/Wales) (Amendment) Regulations 2022 that the carrying amounts to be derecognised for infrastructure assets where there is replacement expenditure is nil.

Note 18c: Assets Held for Sale

2023/24		2024/25
£'000		£'000
2,791	Balance at 1 April	-
-	Assets newly classified as held for sale:	2,945
-	Assets brought into recognition	4,054
(2,791)	Assets sold	-
-	Balance at 31 March	6,999

Note 18d: Intangible Assets

The authority accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of property, plant and equipment. The intangible assets include both purchased licenses and internally generally software. All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the authority. The useful lives assigned to the major software suites used by the authority is 5 years this is consistent with prior years as it charging no depreciation in the year of acquisition.

The carrying amount of intangible assets is amortised on a straight-line basis. The amortisation of £223k charged to revenue in 2024/25 was charged to the appropriate service headings in the cost of services.

The movement on intangible asset balances during the year is as follows:

2023/24		2024/25
£'000		£'000
	<b>Balance at 1 April</b>	
4,865	Gross carrying amounts	2,278
(1,994)	Accumulated amortisation	(1,799)
2,871	<b>Net carrying amount at start of year</b>	<b>479</b>
	<b>Additions</b>	
-	Purchases	-
(2,587)	Written off to revenue	-
518	Disposal-accumulated amortisation	-
(323)	Amortisation for the period	(223)
479	<b>Net carrying amount at end of year</b>	<b>256</b>
	<b>Comprising</b>	
2,278	Gross carrying amounts	2,278
(1,799)	Accumulated amortisation	(2,022)
479		256

Note 19: Capital Commitments

At 31st March 2025, the Council has committed to projects for the construction or enhancement of Property, Plant and Equipment in 2025/26 and beyond. The budgeted cost of these commitments is expected to cost £170.3m (31st March 2024 £132.4m).

The major commitments amounting to £0.5m or more at 31st March 2025 (these represent the approved budgets rather than actual contractual commitments) are:

	Commitments in 2024/25	Commitments in Future Years	Total Commitments
	£'000	£'000	£'000
Refuse Fleet and Grounds Plant Equipment	1,200	3,500	4,700
Disabilities Facilities	1,140	3,420	4,560
Children Services	6,576	5,996	12,572
Fire Risk Assessment	4,600	-	4,600
Cornwall House-Fire Strategy	700	-	700
Office Accommodation Strategy	2,000	2,000	4,000
Major Infrastructure Projects	26,658	417	27,075
Flood Defence Measures	2,785	1,808	4,593
Electric Vehicle Network	1,117	1,117	2,234
RMI Capital programme	17,143	75,370	92,513
Affordable Homes	7,550	5,250	12,800
<b>Total</b>	<b>71,469</b>	<b>98,878</b>	<b>170,347</b>

Note 20: Investment Property

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

2023/24		2024/25
£'000		£'000
(5,480)	Rental income from investment property	(4,870)
16,580	Direct operating expenses arising from investment property	4,544
11,100	Net (gain)/loss	(326)

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.104 The authority has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

The following table summaries the movement in the fair value of investment properties over the year.

2023/24		2024/25
£'000		£'000
108,432	Balance at 1 April	27,212
(9,828)	Adjustments to opening balances	
98,604	Restated balance at 1 April	27,212
	Additions	
17	Subsequent Expenditure	25
(14,017)	Disposals	(3,770)
(31,617)	Transfers (to)/from property, plant and equipment and AHS	24,759
(25,775)	Net gains/losses from fair value adjustments	21
27,212	Balance at 31 March	48,247

Note 21: Leases

Right of Use Assets

This table shows the change in value of right of use assets held under leases by the authority. This does not include the schools PFI, which is disclosed in note 22.

	2024/25		
	Land and Buildings	Vehicles, Plant and Equipment	Total
	£'000	£'000	£'000
Balance at 1 April 2024	15	88	103
Reclassifications			-
Depreciation	(44)	(24)	(68)
Additions			-
Revaluations	3,696		3,696
Disposals			-
Other movement			-
Balance at 31 March 2025	3,667	64	3,731

Transactions under Leases

The authority incurred the following expenses and cash flows in relation to leases

	2024/25
	£'000
Comprehensive income and expenditure statement	
Interest expense on lease liabilities	147
Expense relating to short-term leases	40
Expense relating to exempt leases of low-value items	-
Variable lease payments not included in the measurement of lease liabilities	-
Income from subletting right of use assets	(299)
Gains or losses arising from sale and leaseback transactions	-
Cash flow statement	
Total cash outflow for leases	521

Expenses for short-term leases where period of arrangement is for less than one month are not disclosed

Maturity analysis of lease liabilities

The lease liabilities are due to be settled over the following time banks (measured at the undiscounted amounts of expected cash payments)

2023/24	2023/24 Restated for IFRS16		2024/25
£'000	£'000		£'000
370	480	Less than one year	481
1,364	2,037	One to five years	1,935
1,388	1,382	More than five years	1,002
3,122	3,899	Total undiscounted liabilities	3,418

**Note 21:       Leases (continued)**

**Council as lessor**

Operating Leases

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

2023/24		2024/25
£'000		£'000
5,115	- current (not later than one year)	5,549
15,620	- non-current (later than one year)	16,002
45,219	Finance costs payable in future years	42,083
65,954		63,634

Note 22: Private Finance Initiatives and Service Concessions

Service concession arrangement and Private Finance Initiative (PFI), are an outsourcing method between a public sector body (Slough Borough Council), and a private sector organisation to often design and build a facility which can then be used to deliver public services.

A PFI arrangement in essence transfers responsibility, but not accountability to the private sector organisation. For Slough all of the PFI contracts relate to buildings.

Each PFI scheme is unique and is designed and build to facilitate the specific needs of the council. A detailed contract is entered into which will set out the specification of the service to be provided, how long the agreement is for and will usually have very specific clauses in that specify exactly who received services provided and will furthermore give the Council the ability to restrict who the operator provides services to.

Under a PFI contract the operator is obliged to hand over the facility at the end of the contract in a specified condition at no additional cost to the Council.

Schools PFI Scheme

The final business case for the Council's PFI project was approved by Department for Education & Schools in August 2006. The PFI contract was signed on 3rd August 2006 for the provision and replacement of three schools, which was a long term commitment for the provision of accommodation and facilities management for a period of 28 years. 35% of the payment to the contractor over the life of the contract ("the unitary charge") is adjusted annually in line with the Retail Price Index. The monthly payment is subject to scrutiny and adjustment for the level and quality of service provided. During 2006/07, the Council entered into a Private Finance Initiative contract for the design, build and operation of three schools Penn Wood, Beechwood and Arbour Vale. The contract is for a period of 28 years.

- Penn Wood became operational on 26th February 2007
- Beechwood and Arbour Value schools both became operational from 3rd September 2007

Under International Financial Reporting Standards (IFRS) the PFI assets recognised as Property Plant and Equipment on the Balance Sheet and are subject to revaluation every five years (as part of the normal valuation cycle of non-current assets. The assets are subject to depreciation and impairment as normal assets.

The initial cost under the contract for the design and build element is recognised on the Balance Sheet. This is being written down over the life of the contract as payments are made under the contract. The Council is committed to make total payments of over £200m across the life of the contract. The monthly payments to the contractor are often referred to as a Unitary payment which incorporates the three distinctive elements of the scheme (Capital repayment, Interest and Service charge). The capital cost is set against the liability for the purchase cost, the interest element is charged against interest payable in the accounts, and the service elements is charged to 'Children's Services' expenditure in the Comprehensive Income and Expenditure account.

Movement in PFI Assets

PFI Schools		PFI Schools
£'000		£'000
19,583	Opening balance	19,271
-	Adjustments to cost/value & depreciation/impairment, re: IFRS 16	5,049
66	Additions	20
(118)	Revaluation increases/(decreases) recognised in the revaluation reserve	(6,482)
(260)	Depreciation charge	(322)
	Derecognition - disposals	-
19,271		17,536



**Note 22: Private Finance Initiatives and Service Concessions (continued)**

**Beechwood / Arbour Vale**

In 2016/17 Beechwood School transferred to an Academy and Arbour Vale transferred in 2018/19.

Under International Financial Reporting Standards (IFRS) the PFI assets are recognised as Property Plant and Equipment on the Balance Sheet and are subject to revaluation every five years (as part of the normal valuation cycle of non-current assets). The assets are subject to depreciation and impairment as normal assets.

However as these two schools have converted to Academies the Council lost control and is not entitled to recognise the Schools as assets on the Councils Balance Sheet, they have therefore been de-recognised as assets in the Council's accounts (removed from).

The full element of the liability to the operator is still shown in the books of the Council, as the Council is ultimately responsible for the payment.

Both schools are now making contributions to the Council to their elements of the Unitary Charge (net of all associated PFI credits the Council received).

Note 22: Private Finance Initiatives and Service Concessions (continued)

Movement on the value of the liabilities

The adoption of IFRS16 requires a remeasurement of the PFI liabilities, and undischarged obligations arising from PFI and service concession transactions as at 31 March 2025 which are as follows:

2023/24		2024/25
£'000		£'000
(30,098)	Balance at 1 April	(28,512)
-	Remeasured for IFRS16	(5,049)
(30,098)		(33,561)
1,586	Repayment during the year	2,524
(28,512)	Balance at 31 March	(31,037)

Maturity analysis of liabilities

The Authority makes agreed payments each year to the operators, increased in line with inflation where stated in the contract and similarly reduced if performance falls below minimum standards in any year. Payments remaining to be made under the Service Concession contracts at 31 March 2025 are as follows:

2023/24				Payment obligation	2024/25			
Payment for Services	Reimbursement of Capital Expenditure	Interest	Total		Payment for Services	Reimbursement of Capital Expenditure	Interest	Total
£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
3,091	1,865	2,222	7,178	within 1 year	3,254	2,603	1,446	7,303
17,011	7,173	7,509	31,693	between 2 - 5 years	17,247	10,035	4,689	31,971
20,277	14,173	5,538	39,988	between 6 - 10 years	21,006	16,812	2,802	40,620
6,024	5,178	478	11,680	between 11 - 15 years	1,805	1,589	74	3,468
-	-	-	-	between 16 - 20 years	-	-	-	-
46,403	28,389	15,747	90,539		43,312	31,039	9,011	83,362

## Note 23: Capital Expenditure and Capital Financing

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

2023/24		2024/25
£'000		£'000
734,305	<b>Opening capital financing requirement</b>	<b>711,537</b>
(8,800)	Adjustment to opening balance*	5,058
<b>725,505</b>	<b>Restated opening capital financing requirement</b>	<b>716,595</b>
	<b>Capital investment</b>	
15,738	Property, plant and equipment	20,913
18	Investment Properties	25
-	- Intangible Assets	
1,573	Revenue expenditure funded from capital under statute	5,620
924	Loans Advanced	2,758
(5,835)	Other Capital Expenditure	
46,325	Capitalisation Direction	23,078
<b>58,743</b>	<b>Total capital investment</b>	<b>52,394</b>
	<b>Sources of finance</b>	
2,184	Capital receipts	(1,345)
(10,113)	Use of Loan Repayments to Reduce Capital Financing Requirement	(75,589)
	Use of Loan Repayments to Reduce Capitalisation Direction Element Capital Financing Requirement	
	Use of Capital Receipts to Reduce HRA Capital Financing Requirement	
(23,465)	Use of Capital Receipts to Repay Capitalisation Direction	
(6,460)	Government grants and other contributions	(11,426)
(9,083)	Use of Capital grants and contributions to Repay CFR	
(9,806)	Major repairs reserve	(13,944)
	Sums set aside from revenue	
-	- Direct revenue financing	(170)
(15,968)	Minimum revenue provision	(16,799)
<b>(72,711)</b>	<b>Total sources of finance</b>	<b>(119,273)</b>
<b>711,537</b>	<b>Closing capital financing requirement</b>	<b>649,716</b>
	<b>Explanation of movements in year:</b>	
(15,968)	Minimum revenue provision	(16,799)
46,325	Capitalisation Direction (CD)	23,078
	Use of Capital grants and contributions to Repay CFR	
(10,113)	Use of Loan Repayments to Reduce Capital Financing Requirement	
-	- Use of Loan Repayments to Reduce Capitalisation Direction	
-	- Use of Capital Receipts to Reduce HRA Capital Financing Requirement	
(23,464)	Use of Capital Receipts to Repay Capitalisation Direction	(75,589)
(1,665)	Increase/decrease in underlying need to borrow	2,431
<b>(13,968)</b>	<b>Increase/(decrease) in CFR for the year</b>	<b>(66,879)</b>

\*The 2024/25 adjustment to opening balance relates to the IFRS16 leases adjustment £5.058m. For more information see Note 21, leases.

Note 24: Financial Instruments

Analysed by Category

2023/24				2024/25		
Non-Current	Current	Total		Non-Current	Current	Total
£'000	£'000	£'000		£'000	£'000	£'000
			<i>Amortised cost</i>			
-	432	432	Investments	-	32	32
54,761	36,959	91,720	Trade Debtors	53,266	55,231	108,497
-	28,571	28,571	Cash and cash equivalents	-	17,318	17,318
54,761	65,962	120,723		53,266	72,581	125,847
			<i>Fair Value Through Profit and Loss</i>			
5,052		5,052	Investments	4,392	-	4,392
59,813	65,962	125,775	<b>Total financial assets</b>	57,658	72,581	130,239
			<b>Financial Liabilities</b>			
			<i>Amortised cost</i>			
(390,432)	(69,000)	(459,432)	Loans outstanding	(362,070)	(99,863)	(461,933)
(26,640)	(1,872)	(28,512)	PFI contracts	(28,435)	(2,603)	(31,037)
(2,752)	(370)	(3,122)	Finance leases	(2,937)	(481)	(3,418)
(17,995)	(84,639)	(102,634)	Trade creditors	(2,589)	(69,840)	(72,429)
(437,819)	(155,881)	(593,700)	<b>Total financial liabilities</b>	(396,031)	(172,787)	(568,817)

The Investments under Fair value through profit and loss includes advances to JEH

Note 24: Financial Instruments (continued)

Out of scope assets

In addition to the above financial instruments, the Council has:

- a. advanced loans to James Elliman Homes Ltd;
- b. advanced loan notes to SUR LLP; and
- c. advanced loan notes to GRE5 Ltd

These have been excluded from the financial instrument disclosures as they are scoped out of the Code's financial instrument reporting requirements, because the Council consolidates both James Elliman Homes Ltd and SUR LLP into its group accounts.

The sums involved are:

2023/24		2024/25	
£'000		£'000	
	Long-term debtors		
54,761	Long-term debtors balance per the Balance Sheet	53,266	
	LESS out of scope assets		
(46,491)	Loan to James Elliman Homes Ltd	(47,339)	
(3,099)	Loan to SUR and GRE5	(5,838)	
5,171	Remaining long-term debtors classified as financial instruments:	89	
5,171	Loans and receivables in 2023/24	89	
	Assets at amortised cost in 2023/24		
5,171		89	

2023/24		2024/25	
£'000		£'000	
	Short-term investments		
432	Short-term investments balance per the Balance Sheet	32	
	LESS out of scope assets		
	Interest accrued OLS	-	
	Interest accrued JEH	-	
432	Remaining short-term investments classified as financial instruments:	32	
432	Assets at amortised cost in 2023/24	32	
432		32	

Note 24: Financial Instruments (continued)

2023/24		Long-term investments	2024/25	
£'000			£'000	
	5,052	Long-term investments balance per the Balance Sheet		4,392
		<b>LESS out of scope assets</b>		
	(5,052)	Equity in James Elliman Homes Ltd		(4,392)
		Loan to SUR		-
		Loan to St Bernard		-
		- <b>Remaining long-term investments classified as financial instruments:</b>		-
		- Fair value through profit and loss in 2023/24		
		-		-

Income, Expense, Gains and Losses

2023/24				2024/25		
Financial Liabilities	Financial Assets			Financial Liabilities	Financial Assets	
Liabilities at amortised cost	Loans and Receivables	Available for Sale		Liabilities at amortised cost	Loans and Receivables	Fair value through profit and loss
£'000	£'000	£'000		£'000	£'000	£'000
27,161	-	-	Expense:			
			Interest expense	21,664	-	-
27,161	-	-	Net expense in (Surplus)/Deficit on the Provision of Services	21,664	-	-
			Revenue:			
-	(7,950)	-	Interest income	-	(3,051)	-
-	(7,950)	-	Total income in (Surplus)/Deficit on the Provision of Services	-	(3,051)	-

**Note 24: Financial Instruments (continued)**

**Out of scope assets**

In addition to the above financial instruments, the Council has:

- a. advanced loans to James Elliman Homes Ltd;
- b. advanced loan notes to SUR LLP; and
- c. advanced loan notes to GRE5 Ltd

Both of which generate interest receivable to the Council.

These have been excluded from the financial instrument disclosures above as they are scoped out of the Code's financial instrument reporting requirements, because the Council consolidates both James Elliman Homes Ltd and SUR LLP into its group accounts, but is disclosed below:

2023/24		2024/25
£'000		£'000
(7,950)	Interest income per Note 12	(3,051)
	<b>LESS income from out of scope assets:</b>	
1,552	Interest on Loan to James Elliman Homes Ltd	1,552
-	Interest on Loans to Slough Urban Renewal LLP	-
355	Interest on Loan to GRE5 Ltd	225
<b>(6,043)</b>	<b>Income from financial instruments analysed:</b>	<b>(1,274)</b>
(6,043)	Interest income	(1,274)
<b>(6,043)</b>		<b>(1,274)</b>

Note 25: Nature and Extent of Risks Arising from Financial Instruments

General procedures for managing risk

The Council's overall risk management procedures focus on the unpredictability of financial markets and seeks to minimise potential adverse risks on the 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 and the annual investment strategy. The Council provides written principles for overall risk management, as well as policies covering specific areas, such as credit risk, liquidity risk, market risk and the investment of surplus cash (cost of carry).

Credit Risk

Credit risk is the possibility that other parties might fail to pay amounts due to the Council.

Credit risk arises from deposits placed with money market funds, banks, related-parties and other institutions, as well as credit exposures to Council customers. This risk is minimised through the annual investment strategy available on the Council website.

Key controls are:

- Investments at year-end are only placed with money market funds, all funds having a AAA rating. During the year, the Council deposit with DMADF which present a direct claim on HM Government and doesnt have a conventional credit rating from agencies like Moody's.
- placing a limit of £10m on the money market fund which can be invested with a single counter party; and
- DMADF falls under UK Government which has a time limit of 50 years

The table below summarises the credit exposures of the Council's treasury investment portfolio by credit rating:

31-March-2024		Fitch Rating	31-March-2025	
Non-current	Current		Non-current	Current
£'000	£'000		£'000	£'000
-	21,300	AAA MMF	-	13,633
-	-	AA-	-	-
-	-	Unrated local authorities	-	-
-	21,300		-	13,633

Loss allowances on treasury investments have been calculated by reference to historic default data published by credit rating agencies. The estimated loss is negligible as the year-end deposits are with MMF and is treated as cash and cash equivalent.



Note 25: Nature and Extent of Risks Arising from Financial Instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Council will have insufficient funds in its bank account to make the payments necessary to meet its financial obligations.

The Council operates a cashflow forecasting system which seeks to ensure that cash is available as needed. During the year the Council introduced £10m liquidity buffer which helps reduce liquidity risk by ensuring sufficient funds are available for short term obligations.

Refinancing risk

The Council faced re-financing risk due to the concentration of larger loan maturities during the year and exposure to lender option borrower option loans (LOBOs). LOBO loans carry the risk of lenders exercising options to revise terms, potentially triggering early repayment or higher interest costs. In addition, significant PWLB loans are scheduled to mature within the year, creating a need for substantial refinancing. This exposed the Council to adverse market conditions, interest rate volatility, and liquidity pressures. Proactive planning, included carefully timing borrowings around the maturity of existing loans to manage both interest costs and refinancing risks; avoiding borrowing in advance of need to minimise the cost of carry is essential to mitigate these risks. The LOBOs have remaining terms of up to 41 years and interest rates of 3.75% and 3.99%.

31-March-2024		31-March-2025
£'000		£'000
74,500	less than one year	99,863
85,499	between 1 and 2 years	26,628
62,597	between 3 and 5 years	72,545
64,978	between 6 and 10 years	97,351
135,108	between 11 and 20 years	129,629
3,750	between 21 and 30 years	6,917
33,000	more than 30 years	29,000
459,432	Total	461,933

Market risk

Market risk is the possibility that financial loss might arise as a result of changes in interest rates.

The Council is exposed to interest movements on its borrowings and investments. Movements on interest rates have a complex effect on the Council depending on how variable and fixed interest rates move across differing financial instruments. For instance, a rise in interest rates would have the following effects:

Borrowings at variable rates	The interest expense charged to the Comprehensive Income and Expenditure Statement will rise.
Borrowings at fixed rates	The fair value of the borrowing will fall (no impact on revenue balances).
Investments at variable rates	The interest income credited to the Comprehensive Income and Expenditure Statement will rise.
Investments at fixed rates	The fair value of the assets will fall (no impact on revenue balances).

**Note 25: Nature and Extent of Risks Arising from Financial Instruments (continued)**

Investments in money market funds are carried at fair value.

As at 31st March 2025, 100% of the debt portfolio was held at fixed rate.

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

31-March-2024		31-March-2025
£'000		£'000
	Increase in interest payable on variable rate borrowings	-
(262)	Increase in interest receivable on variable rate MMFs investments	(256)
(262)	Impact on surplus/deficit on the provision of services	(256)

31-March-2024	Impact on other comprehensive income and expenditure	31-March-2025
£'000		£'000
-	Decrease in fair value of fixed rate investment assets	-
(28,403)	Decrease in fair value of fixed rate borrowings liabilities	(26,480)

The approximate impact of a 1% fall in interest rates would have reverse movements. These assumptions are based on the same methodology as used in the Financial Instruments disclosure note.

## Note 26: Fair value of assets and liabilities

The following tables combine information about:

- (a) classes of financial instruments and non-financial assets based on their nature and characteristics;
- (b) the carrying amounts of financial instruments and non-financial assets;
- (c) fair values of financial instruments and non-financial assets; and
- (d) fair value hierarchy levels of financial instruments and non-financial assets for which fair value is disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

**Level 1** - measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

**Level 2** - measurement is based on inputs other than quoted prices included in Level 3 that are observable for the asset or liability, either directly or indirectly

**Level 3** - measurement is based on unobservable inputs for the asset or liability.

The basis of valuation of each class of financial instrument and non-financial asset is set out below. There has been no change in the valuation techniques used during the year. All items have been valued using fair value techniques based on the characteristics of the financial instrument or non-financial asset, with the overall objective of maximising the use of market-based information.

Description of asset or liability	Valuation hierarchy	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Cash and cash equivalents, trade debtors, trade creditor and cash-based investments (long and short-term)	Level 1	Carrying value is deemed to be fair value, because of the short-term nature of the instruments	Not Required	Not required
Non-current debtors	Level 2	Discounted cashflows for the instrument using an equivalent market rate	Council accounting records	Not required
Finance leases and PFI liabilities	Level 2	The fair values have been estimated by discounting the contractual cashflows (excluding service charge elements) at the appropriate AA-rated corporate bond yield.	Observable inputs are the bond yields. Unobservable inputs are the remaining cashflows.	Not required
Loans outstanding	Level 2	The fair values have been estimated by discounting the remaining cashflows of the borrowing using the appropriate rate for local authority loans	Observable inputs are the PWLB rates. Unobservable inputs are the remaining cashflows.	Not required
Investments in pooled funds	Level 2	Forward pricing	NAV-based pricing set on a forward pricing basis	Not required
Investment property	Level 2	Investment method of valuation.	Assumed void periods Estimated Rental Value (ERV) Capitalisation Rate (Equivalent Yield)	Not required
Surplus assets	Level 2	Market-based approach	Rental yields, recent sales prices, market conditions	Not required
Assets held for sale	Level 2	Lower of carrying value and fair value (market-based approach)	Rental yields, recent sales prices, market conditions	Not required

**Note 26: Fair value of assets and liabilities (continued)**

31-March-2025	Carrying value				Fair value			
	Financial and non-financial assets		Financial liabilities	Total	Level			Total
	Fair value through profit and loss	Assets at amortised cost	Liabilities at amortised cost		1	2	3	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Financial assets</b>								
<i>Loans and receivables</i>								
Investments	-	4,392	-	4,392	4,392			4,392
Debtors	-	111,886	-	111,886	111,886			111,886
Cash and cash equivalents	-	17,318	-	17,318	17,318			17,318
<i>Fair value through profit and loss</i>	-		-	-				-
Investments			-	-	-	-		-
<b>Total financial assets</b>	-	133,596	-	133,596	133,596	-	-	133,596
<b>Non-financial assets</b>								
Investment property	48,247	-	-	48,247		48,247		48,247
Surplus assets	22,043	-	22,043	22,043		22,043		22,043
Assets held for sale	6,999	-	-	6,999		6,999		6,999
<b>Total financial and non-financial assets</b>	77,289	133,596	22,043	210,885	133,596	77,289	-	210,885
<b>Financial Liabilities</b>								
<i>Liabilities at amortised cost</i>								
Loans outstanding	-	-	(461,933)	(461,933)		(402,645)		(402,645)
PFI contracts	-	-	(31,037)	(31,037)		(31,037)		(31,037)
Finance leases	-	-	(3,418)	(3,418)		(3,418)		(3,418)
Trade creditors	-	-	(72,430)	(72,430)	(72,430)			(72,430)
<b>Total financial liabilities</b>	-	-	(568,818)	(568,818)	(72,430)	(437,100)	-	(509,530)

**Note 26: Fair value of assets and liabilities (continued)**

31-March-2024	Carrying value				Fair value			
	Financial and non-financial assets		Financial liabilities	Total	Level			Total
	Fair value through profit and loss	Assets at amortised cost	Liabilities at amortised cost		1	2	3	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Financial assets</b>								
<i>Loans and receivables</i>								
Investments		5,052	-	5,052	5,052	-	-	5,052
Debtors		91,638	-	91,638	91,638	-	-	91,638
Cash and cash equivalents		28,571	-	28,571	28,571	-	-	28,571
<i>Fair value through profit and loss</i>	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
<b>Total financial assets</b>	-	125,261	-	125,261	125,261	-	-	125,261
<b>Non-financial assets</b>								
Investment property	27,212	-	-	27,212	-	27,212	-	27,212
Surplus assets	46,261	-	-	46,261	-	46,261	-	46,261
Assets held for sale	-	-	-	-	-	-	-	-
<b>Total financial and non-financial assets</b>	73,473	125,261	-	198,734	125,261	73,473	-	198,734
<b>Financial Liabilities</b>								
<i>Liabilities at amortised cost</i>								
Loans outstanding	-	-	(459,432)	(459,432)	-	(413,645)	-	(413,645)
PFI contracts	-	-	(28,510)	(28,510)	-	(28,510)	-	(28,510)
Finance leases	-	-	(3,615)	(3,615)	-	(3,615)	-	(3,615)
Trade creditors	-	-	(84,639)	(84,639)	(84,639)	-	-	(84,639)
<b>Total financial liabilities</b>	-	-	(576,196)	(576,196)	(84,639)	(445,770)	-	(530,409)

Note 27: Cash and Cash Equivalents

2023/24 restated	Cash and cash equivalents	2024/25
£'000		£'000
7,271	Cash and bank balances	3,685
21,300	Money market funds	13,633
28,571	Total	17,318

Note 28: Debtors

These balances represent the amount of money owed to the Council at year end. Debtors include individuals, central government departments, other local authorities, NHS and other bodies. An analysis is given below.

2023/24	Short-term debtors	2024/25
£'000		£'000
1,166	Prepayments	2,654
269	Central Government bodies	4,788
12,121	Trade debtors	14,217
5,028	VAT	7,571
11,045	Council Tax	20,079
4,928	NNDR receivable	5,474
11,785	Housing Benefit receivable	10,879
22,757	Other debtors	27,791
(32,140)	Impairment Allowance for Doubtful Debts	(34,832)
36,959	Total	58,621

2023/24	Long-term debtors	2024/25
£'000		£'000
54,593	Loans to third parties	53,180
86	Other	86
54,679	Total	53,266

**Note 28: Debtors (continued)**

It is the policy of the Council that impairment for debt provisions for council tax and business rates are charged to the Collection Fund.  
Council tax provision for debt impairment is based on an analysis of the age of the debt and their recovery stage.

The ageing of Slough's share of the debt is disclosed in the table below.

Ageing of council tax debt	2024/25
	£'000
Up to 1 year	5,379
1 to 3 years	4,450
Over 3 years	10,250
Total	20,079

**Note 29: Creditors**

These are amounts owed by the Council for work done, goods received, or services rendered which have not been paid by 31 March 2025

2023/24		2024/25
£'000		£'000
(3,079)	Trade creditors	(10,016)
(1,505)	PAYE & NI	(1,560)
(13,337)	Central Government Bodies	(328)
(56,947)	Other Creditor	(54,666)
(2,240)	PFI Finance Lease Liability	(2,759)
(4,120)	Receipts in Advance	(916)
(3,411)	Payroll Creditor	(1,534)
(84,639)	Total	(71,779)

## Note 30: Provisions

The Council makes provision in compliance with IAS37 where there is an obligation as a result of a past event, when it is probable that the Council will incur expenditure and where a reasonable estimate can be made of the amount involved. Provisions are split into short term (less than one year) and long term (more than one year). In addition to the provisions shown below, there are provisions for bad debts which have been netted off against the debtors figure on the balance sheet, and are shown in the debtors note.

2023/24				Short-term provisions	2024/25			
Insurance claims	Business rates appeals	Other	Total		Insurance claims	Business rates appeals	Other	Total
£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
(1,000)	(9,095)	(4,822)	(14,917)	Balance at 1st April	(1,000)	(1,707)	(4,822)	(7,529)
-	7,389	-	7,389	Amounts used	-	-	-	-
-	-	-	-	Additional provision created during the year	-	(2,198)	(11,778)	(13,976)
(1,000)	(9,095)	(4,822)	(7,528)	Balance at 31st March	(1,000)	(3,905)	(16,600)	(21,505)

2023/24				Long-term provisions	2024/25			
Insurance claims	Business rates appeals	Other	Total		Insurance claims	Business rates appeals	Other	Total
£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
(170)	-	-	(170)	Balance at 1st April	(170)	(2,652)	-	(2,822)
-	-	-	-	Amounts used	-	2,652	-	2,652
-	(2,652)	-	(2,652)	Additional provision created during the year	-	-	-	-
(170)	(2,652)	-	(2,822)	Balance at 31st March	(170)	(2,652)	-	(170)

\*Opening balances have been reclassified between short-term, long-term and the provision categories.

### Insurance claims

The provision covers insurance claims which have been lodged and for which there is reasonable probability that the Council is liable and for which a reasonable estimate can be made of the amount required to settle. The Council reviews existing claims at year end, and adjusts the provision where appropriate. Periodically the Council commissions an actuarial review to ensure the provision level is appropriate.

### Business rates appeals

The provision covers potential liabilities arising from appeals by business ratepayers against rateable valuations. The amounts set aside reflects the Council's share of the liability. This is calculated using a combination of submitted and expected check, challenge, appeal claims, using both local and national trend data.

### Other

This include a provision of £8.37m created during 2024/25 to cover the anticipated net cost of yet to be processed housing benefit claims.

It includes provision for the possible repayment of water rate to tenants following the case of Jones v London Borough of Southwark in the High Court in 2016. The provision is a charge against the HRA as the water rates were originally collected with housing rents and reported in the HRA.

It also includes provision for likely non-repayment of loans to subsidiary companies, based on review of the companies balance sheets, as well as business plans.



**Note 31: Other Long-Term Liabilities**

2023/24		2024/25
£'000		£'000
(108,105)	Pension Liability	(46,516)
(26,640)	Amounts due to be paid under PFI	(28,435)
(4)	Amounts due to be paid under Other Finance Leases	(393)
(134,749)	Balance 31 March	(75,344)

## Note 32: Pension Schemes Accounted for as Defined Contribution Schemes

### Teachers

Teachers employed by the Council are members of the Teachers' Pension Scheme administered by the Department for Education. The Scheme provides teachers with specified benefits upon their retirement and the Council contributes towards the cost by making contributions based on a percentage of scheme members' pensionable salaries.

The Scheme itself is a defined benefit scheme but however is unfunded. The Department for Education uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. The notional fund is valued every four years. However, this is a multi-employer scheme and the number of participating employers makes it impossible to identify the Council's share of the financial position and performance attributable to its own employees with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, they are therefore accounted for on the same basis as a defined contribution scheme.

In 2024/25, the Council paid £5.4m (£4.3m in 2023/24) to the Teachers Pensions Agency in respect of teachers' retirement benefits, representing 28.68% (23.68% in 2023/24) of Pensionable pay. The Council is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teacher's scheme. These costs are accounted for on a defined benefit basis.

## Note 33: Defined Benefit Pension Schemes

### Participation in pension schemes

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

- The Local Government Pension Scheme (LGPS), a national scheme but administered locally. For Slough Borough Council, this is the Royal County of Berkshire Pension Fund administered by the Royal Borough of Windsor and Maidenhead. This is a funded defined benefit final salary scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.
- Arrangements for the award of discretionary post-retirement benefits upon early retirement. This is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. As there are no investment assets built up to meet these liabilities, at the point of early retirement a cash transfer is made from the General Fund to the Pension Fund to cover this shortfall. This transfer is real expenditure to the General Fund and is normally financed from a revenue reserve.

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. We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions.

**Note 33: Defined Benefit Pension Schemes (continued)**

The **Local Government Pension Scheme (LGPS)** is a national scheme but administered locally. For the Council, this is the Royal County of Berkshire Pension Fund administered by the Royal Borough of Windsor and Maidenhead. The LGPS is a funded scheme which means that the Council and employees pay contributions into a fund calculated at a level intended to balance the pension liabilities with investment assets over time.

The LGPS provides a final salary-based pension based on service to 2014 and a career average revalued earnings based pension for service since 2014.

The Royal County of Berkshire Pension Fund is operated under the regulatory framework of the Public Service Pensions Act 2013 and the LGPS Regulations made thereunder. Governance of the scheme locally is the responsibility of the Pensions Committee of the Royal Borough of Windsor and Maidenhead. Investment policy is determined in accordance with the LGPS Regulations as is the administration and governance of the scheme. Investment management of the fund is outsourced wholly to Local Pensions Partnership Investments (LPPI) under the framework provided by the investment policy.

The LGPS is subject to a triennial actuarial valuation which determines the contribution rates for the next three years. The fund's actuary is Barnett Waddingham LLP. The last valuation was in 2022. For England and Wales, the next triennial valuation date is as at the accounting date, 31 March 2025. The results of the 2025 valuation will not be finalised at the time of preparing reports, nor assumptions agreed with the relevant LGPS fund. An update to base mortality tables will follow next year as part of 31 March 2026 reporting.

For the period covered by the triennial valuation the Council is scheduled to pay contributions at 17.2% (17.2% in 2023/24) of pensionable pay plus a lump sum of £4.890m (£4.700m in 2023/24).

The principal risks to the Council from participation in the LGPS are:

- (i) if future investment returns are lower than expected, the Fund's asset values will be lower and the funding level will worsen;
- (ii) if improvements in life expectancy are greater than expected, the cost of benefits will increase because members are living longer than expected;
- (iii) if members make decisions about their options which increase liabilities, the funding level may worsen. An example would be if fewer members commute their pensions into cash than expected then this will increase liabilities.

A significant risk to the Fund is that 68% of the Fund's assets are invested in global equity funds. This risk is mitigated through the use of forward foreign exchange derivatives.

**Discretionary post-employment benefits**

Both the LGPS and the teachers' pension scheme permit employers to make discretionary awards of post-employment benefits upon early retirement. These are unfunded benefit arrangements, 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.

**Note 33: Defined Benefit Pension Schemes (continued)**

**Transactions relating to post-employment benefits**

The Council recognises the cost of post-employment benefits in the reported cost of services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge the Council is required to make against Council Tax is based on the contributions and benefits payable in the year, so the real cost of post-employment benefits is reversed out of the General Fund and Housing Revenue Account via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement, the General Fund balance and the HRA via the Movement in Reserves Statement in the year.

2023/24				2024/25			Note
Scheme Assets	Pensions Obligations	Net Pensions Liability		Scheme Assets	Pensions Obligations	Net Pensions Liability	
£'000				£'000			
326,179	(448,339)	(122,160)	Opening Balance at 1 April	351,399	(459,508)	(108,109)	
-	(8,642)	(8,642)	Current Service Cost	-	(8,155)	(8,155)	
	(423)	(423)	Past Service cost and gains/losses on curtailments		(458)	(458)	
15,579	(21,140)	(5,561)	Interest Income and Expense	18,483	(22,554)	(4,071)	
(349)	-	(349)	Admin Expense	(327)	-	(327)	
		-	- Settlement	3,406	(1,902)	1,504	
15,230	(30,205)	(14,975)	Total post employment benefit charged to the (surplus)/deficit on provision of services	21,562	(33,069)	(11,507)	
			Contributions				
13,208		13,208	- The Council	14,434		14,434	
3,018	(3,018)	-	- Employees	3,138	(3,138)	-	
16,226	(3,018)	13,208		17,572	(3,138)	14,434	
			Payments				
(19,489)	19,489	-	- Retirement Grants and Pensions	(17,582)	17,582	-	
(19,489)	19,489	-	Employers contributions payable to scheme	(17,582)	17,582	-	
			Remeasurements				
13,253		13,253	- Return on Plan Assets	(10,280)		(10,280)	
-	4,030	4,030	- Actuarial Gains and Losses from changes in Financial Assumptions	-	67,572	67,572	
	(1,465)	(1,465)	- Experience loss /(gain) on defined benefit obligation		1,374	1,374	
13,253	2,565	15,818	Post-Employment Benefits Charged to other Comprehensive Income and Expenditure Statement	(10,280)	68,946	58,666	
				-			
351,399	(459,508)	(108,109)	Closing Balance at 31 March	362,671	(409,187)	(46,516)	

**Note 33: Defined Benefit Pension Schemes (continued)**

**Composition of Scheme Assets**

2023/24				2024/25		
Quoted	Unquoted	Total		Quoted	Unquoted	Total
£'000	£'000	£'000		£'000	£'000	£'000
57%		200,474	Public Equities	57%		205,696
	12%	41,252	Private Equities		11%	39,685
	13%	44,025	Infrastructure		12%	42,378
6%	3%	31,988	Real Estate	4%	4%	30,386
12%	1%	46,157	Credit	14%	1%	52,981
1%		3,236	Cash	2%		6,605
	-4%	(15,733)	Longevity Insurance		-4%	(15,060)
<b>76%</b>	<b>25%</b>	<b>351,399</b>	<b>Total Assets</b>	<b>77%</b>	<b>23%</b>	<b>362,671</b>

**Basis for estimating assets and liabilities**

A change in any of the key assumptions can have a significant impact upon the size of the Council's pension liabilities, which would require the Council during its triennial review to adjust the amount it must pay the Berkshire Pension Fund. The biggest risks include an increase in member life expectancy, salary and pension accumulation rate or a decrease in the real discount rate, which would have an impact on the Council's liability to the Pension Fund.

Discounting of future payments gives the amount in today's money that is required to meet obligations – a higher discount rate means a lower current requirement to meet future payments. This is why the actuaries prudently use a discount rate based on highly rated corporate bond yields, as a small change in these would have a very large impact upon the size of the liability, which taxpayers are statutorily bound to pay.

The principal assumptions used by the actuary have been:

LGPS		LGPS
31-March-2024		31-March-2025
	Mortality assumptions:	
	Longevity at 65 for current pensioners (years):	
20.8	Male	20.7
23.6	Female	23.6
	Longevity at 65 for future pensioners (years):	
22.0	Male	22.0
25.0	Female	25.0
	Economic assumptions	
4.9%	Rate of inflation	5.8%
3.0%	Rate of increase in salaries	2.9%
3.3%	Rate of increase in pensions	3.2%
4.0%	Rate for discounting scheme liabilities	3.9%

**Note 33: Defined Benefit Pension Schemes (continued)**

**Sensitivity Analysis**

Long-term provisions	Increase in Assumption	Decrease in Assumption
	£'000	£'000
Discount Rate (increase or decrease by 0.1%)	(5,845)	5,988
Rate of increase in salaries (increase or decrease by 0.1%)	247	(244)
Rate of increase in pensions (increase or decrease by 0.1%)	5,907	(5,769)
Longevity (increase or decrease by 1 year)	14,421	(13,880)

The above sensitivity analysis identifies that a 0.1% increase in the Discount Rate assumption, will result in a decrease in the reported Pension liability of £5.9m. An increase in either the salaries, pension payment or longevity assumptions will result in an increase in the reported Pension Liability as detailed in the table above.

**Impact on the Council's Cash flows**

The Council contributes monthly into the Berkshire pension fund in line with the schedule of rates and contributions. Estimated contributions to the fund are regularly reviewed through Budget monitoring and updates to the Council's medium term financial strategy. Funding levels are monitored on an annual basis. The Employer currently participates in the Slough pool with other employers in order to share experience of risks they are exposed to in the Fund.

Based on assumptions as at 31 March 2025, expected employer contributions for LGPS benefits in 2024/25 are £14.1m, with the projected expense being £12.9m. These figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2025.

The assumed life expectancy of scheme members for the defined benefit obligation is between 20.7 and 25 years (20.8 and 25 years for 2023/24).

# **Note 34: Cash Flow Statement - Operating Activities**

2023/24		2024/25
£'000		£'000
88,034	<b>Net (surplus) or deficit on the provision of services</b>	<b>26,653</b>
	<i>Adjustments for non-cash movements:</i>	
(23,333)	Depreciation	(24,443)
(22,170)	Impairments and downward revaluation	8,174
(20,702)	Amortisation	(2,936)
17,119	Net increase/decrease in creditors, debtors and inventories	37,978
(1,221)	Pensions liability	2,927
	Carrying amount of non-current assets sold	(14,736)
(58,188)	Other non-cash items	(11,304)
<b>(108,495)</b>	<b>Subtotal</b>	<b>(4,340)</b>
	<i>Adjustments for items that are investing or financing activities:</i>	
(118,690)	Proceeds from short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries)	(400)
34,636	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	19,174
9,698	Any other items for which the cash effects are investing or financing cash flows	
<b>(74,356)</b>	<b>Subtotal</b>	<b>18,774</b>
<b>(94,818)</b>	<b>Net cash flows from operating activities</b>	<b>41,087</b>

The cash flows for operating activities include the following items:

2023/24		2024/25
£'000		£'000
(7,950)	Interest received	(3,051)
31,769	Interest paid	22,177
<b>23,819</b>	<b>Total</b>	<b>19,126</b>

**Note 35: Cash Flow Statement - Investing Activities**

2023/24		2024/25
£'000		£'000
15,219	Purchase of property, plant and equipment, investment property and intangible assets	20,528
-	Purchase of short-term and long-term investments	-
1,929	Other payments for investing activities	2,739
(34,636)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(19,174)
(19,998)	Other receipts from investing activities	(34,283)
(37,486)	<b>Net cash flows from investing activities</b>	<b>(30,190)</b>

**Note 36: Cash Flow Statement - Financing Activities**

2023/24		2024/25
£'000		£'000
-	Cash receipts of short-term and long-term borrowings	(2,501)
-	Other receipts from financing activities	-
1,933	Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts	2,857
	Repayments of short-term and long-term borrowing	
130,475	Other payments from financing activities	
132,408	<b>Net cash flows from financing activities</b>	<b>356</b>



Note 37: Related Party Transactions

The Council is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council.

Central government

Central government has significant influence over the general operations of the Council - it is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. Council tax bills, housing benefits).

Members

Members of the Council have direct control over the Council's financial and operating policies. The total of Members Allowances is reported at Note 11.

The following Members held positions of control or significant influence in related parties to the Council during 2024/25:

Entities controlled or significantly influenced by the Council

2024/25								
Entity name	Structure	Influence	Shareholding	Loan	Expenditure	Income	Income outstanding to SBC	Balance outstanding from SBC
			£'000	£'000	£'000	£'000	£'000	£'000
James Elliman Homes (JEH)	Wholly owned subsidiary	Neil Euesden	-	51,700	-	(1,552)	57,442	(2,938)
Slough Urban Renewal	Joint Venture	Designated members: Slough Borough Council Community Solutions for Regeneration (Slough) Limited	-	898	-	-	898	
Ground Rent Estates 5 Ltd	Wholly owned subsidiary	David Johnson John Reed	455	5,165		(225)	227	
Slough Children First Ltd  (Name of the Company was changed from Slough Children's Services Trust Ltd to Slough Children First Limited w.e.f 4th April 2021)	Company limited by guarantee -  Slough Borough Council appointed as a person of significant control with effect from 1st Apr 2021 Cessation of Department for Education as a person with significant control on 1 April 2021	Andrew Nankivell (appointed on 27 August 2024) Simon Baker Raj Bhambher Sue Butcher Anna Jones (appointed on 1 November 2024) Steven Mason Alexandra Pilgerstorfer Benjamin Short	-	-	36,303	(83)	1,808	(1,070)

**Note 37: Related Party Transactions (continued)**

2023/24								
Entity name	Structure	Influence	Shareholding	Loan	Expenditure	Income	Income outstanding to SBC	Balance outstanding from SBC
			£'000	£'000	£'000	£'000	£'000	£'000
James Elliman Homes (JEH)	Wholly owned subsidiary		-	51,700	-	(1,551)	53,988	(1,037)
Slough Urban Renewal	Joint Venture		-	873	-	-	873	
Ground Rent Estates 5 Ltd	Wholly owned subsidiary		455	2,182		(355)	2,182	
Slough Children First Ltd (Name of the Company was changed from Slough Children's Services Trust Ltd to Slough Children First Limited w.e.f 4th April 2021)	Company limited by guarantee - Slough Borough Council appointed as a person of significant control with effect from 1st Apr 2021 Cessation of Department for Education as a person with significant control on 1 April 2021		-	2,600	45,710	(2,484)	2,645	(5,107)

## Note 38: Contingent Liabilities

There are no material contingent liabilities at the reporting date.

## Note 39: Events After the Balance Sheet Date

### Authorised for issue date

Preparation of the 2024/25 statement of accounts were delayed pending resolution of outstanding matters arising from the audit of the 2018/19 and subsequent statement of accounts affecting the balances brought forward.

The delays to the 2018/19 and subsequent Statement of Accounts were related to:

1. issues raised by the external auditors regarding the original 2018/19 draft accounts, and
2. subsequent work to address issues highlighted by the Section 114 Notice and the Capitalisation Direction (see below).

### Section 114 Notice and Capitalisation Direction

On 2 July 2021, the Council's then Section 151 officer, Steven Mair, issued a section 114 Notice to the Council, which highlighted that the Council faced a significant unfunded financial deficit arising from financial challenges which have arisen over a number of years, and required the Council to take action to address these issues as a matter of urgency.

The s.114 Notice has led to intervention from the Secretary of State for Levelling UP, Housing and Communities who issued an "in principle" Capitalisation Direction in March 2022.

The Capitalisation Direction permits the Council to charge to capital, expenditure which would otherwise be revenue expenditure and then to finance the capitalised revenue expenditure from capital resources, namely by applying usable capital receipts and in the short-term setting aside minimum revenue provision.

Whilst the Capitalisation Direction was issued in March 2022, it covers transactions and balances for the years preceding 1 April 2017 to 31 March 2023 (subsequently up to 31 March 2024). Therefore at the balance sheet date of 31 March 2024, the Capitalisation Direction is an adjusting event. The items which have been adjusted under the Capitalisation Direction are set out in Note 5 to these accounts.

DRAFT

This page has been intentionally left blank

SECTION – 5

SUPPLEMENTARY FINANCIAL STATEMENTS

Supplementary Financial Statements	Page Number
• <i>Housing Revenue Account (HRA) - Income and Expenditure Statement</i>	119
• <i>Statement on The Movement on The Housing Revenue Account</i>	120
• <i>Housing Revenue Account Notes</i>	121
• <i>Collection Fund Statement</i>	125
• <i>Notes to the Collection Fund</i>	126

## Housing Revenue Account (HRA) - 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 upon which rents are raised, is shown in the Movement on the Housing Revenue Account Statement.

2023/24 restated		2024/25	
£'000		£'000	Note
	<b>Expenditure</b>		
11,809	Repairs and Maintenance	13,996	
10,446	Supervision and Management	14,045	
494	Rents, Rates, Taxes and Other Charges	315	
11,654	Depreciation, Impairment and Revaluation losses in relation to non current assets	9,022	6
3,495	Aborted AUC on Entering S114 Written Back to Revenue	-	
-	Increase/(decrease) in provision for bad and doubtful debts	21	
<b>37,898</b>	<b>Total expenditure</b>	<b>37,399</b>	
	<b>Income</b>		
(36,867)	Dwelling Rents	(39,950)	
(1,763)	Non-dwelling rents	(1,517)	
(2,040)	Charges for Service and facilities	(3,220)	
<b>(40,670)</b>	<b>Total income</b>	<b>(44,687)</b>	
<b>(2,772)</b>	<b>Net Income from HRA services as included in the whole authority Comprehensive Income and Expenditure Statement</b>	<b>(7,288)</b>	
205	HRA services share of Corporate and Democratic Core	234	
<b>(2,567)</b>	<b>Net cost of HRA Services including HRA share of costs not allocated to specific services</b>	<b>(7,054)</b>	
	<b>HRA share of the operating income and expenditure included in the Comprehensive Income and Expenditure Statement:</b>		
(4,669)	(Gain) on sale of HRA non current assets	(7,098)	
(1,708)	Capital Grants and Contributions received	-	
(857)	HRA interest and investment income	5,298	
4,608	Interest payable and similar charges	(40)	
331	Pensions interest cost		
<b>(4,862)</b>	<b>(Surplus) or deficit for the year on HRA Services</b>	<b>(8,894)</b>	

## Statement on The Movement on The Housing Revenue Account

The objective of this statement is to reconcile the outturn from the HRA Income and Expenditure Statement to the surplus or deficit on the HRA Balance calculated in accordance with statutory requirements.

2023/24 Restated		2024/25
£'000		£'000
(21,645)	Balance on the HRA as at 1 April	(22,668)
	Adjustment to opening balance (see note 1)	5,872
	<b>Revised Balance on the HRA as at 1 April</b>	<b>(16,796)</b>
(4,863)	(Surplus) for the year on the HRA Income and Expenditure Statement	(8,894)
	<b>Adjustments between accounting basis and funding basis:</b>	
-	Amount by which finance costs chargeable in accordance with the Code are different from finance costs chargeable in year under statutory requirements	(9,022)
(10,011)	Depreciation and impairments	
(1,616)	Revaluation gains (where losses previously charged to surplus/deficit)	-
(26)	Movement in market value of investment property	
(896)	Net Charges (Pension Costs) made for Retirement Benefits in Accordance with FRS17	(705)
(6,326)	(Gains)/losses on sale of HRA non-current assets	7,098
1,708	Capital Grants and Contributions received in year	
10,011	Transfers to/(from) the Major Repairs Reserve	9,848
10,996	Transfers to/(from) the Capital Receipts Reserve	-
(1,023)	<b>Net (increase)/decrease before transfers to/(from) reserves</b>	<b>(1,675)</b>
(1,023)	<b>(Increase)/decrease in year on the HRA balance</b>	<b>(1,675)</b>
(22,668)	<b>HRA Balance at 31 March</b>	<b>(18,471)</b>

Housing Revenue Account Notes

Note 1: Prior Period Adjustment

There was an opening balance adjustment to the HRA of £5.873m. To aid understanding for users of the accounts this has been presented as an opening balance adjustment at 1st April 2024. This relates to the HRA not previously being charged its share for relevant pension costs in the form of historic pension deficit charges. This charge covers the years from 2018/19 through to 2023/24. For years 2024/25 onwards the relevant proportion will be charged to the relevant fund during the year.

Note 2: Housing Stock

As at 31 March 2025, the Council was responsible for managing a housing stock of 5,957 dwellings comprising:

2023/24	Type of accommodation	2024/25
No.		No.
2,780	Houses	2,828
2,692	Flats	2,609
520	Bungalows	520
5,992	Total	5,957

The change in stock can be summarised as follows:

2023/24	Type of accommodation	2024/25
No.		No.
6,029	Stock at 1 April	5,992
(36)	Sold	(37)
(1)	Demolished	2
5,992	Stock at 31 March	5,957



**Note 2:        Housing Stock (continued)**

The total balance sheet value of the Council's HRA assets at 1 April 2024 was £631.931m and at 31 March 2025 was £644.773m, analysed as follows:

2023/24	Expenditure	2024/25
£'000		£'000
	<b>Operational assets</b>	
608,175	Council dwellings	622,087
8,094	Other land and buildings	9,139
415	Community assets	414
923	Assets under construction	804
<b>617,607</b>		<b>632,444</b>
	<b>Non-operational assets</b>	
730	Investment property	474
13,054	Surplus assets	11,855
<b>13,784</b>		<b>12,329</b>
<b>631,391</b>	<b>Total asset value</b>	<b>644,773</b>

**Note 3:        Vacant Possession Value**

Dwellings are initially valued at open market value assuming vacant possession. The vacant possession value of the HRA tenanted dwellings was £1,885m (£1,843m at 31 March 2024). This is the existing use value (EUV). The difference between the vacant possession value the Balance Sheet value of the dwellings within the HRA reflects that tenancies are held on a secure basis without vacant possession.

The Balance Sheet value of the dwellings is determined by applying the Government prescribed discount factor (the vacant possession discount factor) to the vacant possession value of the stock. The discount factor is 33%. The resultant valuation is the Existing Use Value - Social Housing (EUV-SH)

The difference of £1,263.025m between the EUV of £1,885.112m and the EUV-SH of £622.087m represents the economic cost of providing housing at less than open market.

**Note 4: Capital Expenditure and financing**

During 2024/25, the Council incurred £14.685m capital expenditure on land, houses and other properties within the HRA (2023/24: £7.472m). The detail of expenditure and the methods of financing are detailed below:

2023/24		2024/25
£'000		£'000
164,636	Opening capital financing requirement	162,928
	Operational assets	
164,636	Restated opening capital financing requirement	162,928
	Capital investment	
7,352	* Operational assets	14,601
120	Non-operational assets	84
7,472	Total capital investment	14,685
	Sources of funding	
2,334	** Capital receipts	(741)
	Use of Capital Receipts to Reduce HRA Capital Financing Requirement	
(9,806)	*** Major repairs reserve	(13,944)
(1,708)	Government grants and contributions	
	Borrowing	
(9,180)	Total sources of Finance	(14,685)
162,928	Closing capital financing requirement	162,928
	Explanation of movements in year:	
-	- Use of Capital Receipts to Reduce HRA Capital Financing Requirement	-
(1,708)	Increase/decrease in underlying need to borrow	-
(1,708)	Increase/(decrease) in CFR for the year	-

**Note 5: Capital receipts**

Capital receipts from disposals of land, houses and other property within the HRA were as follows:

2023/24		2024/25
£'000		£'000
-	Land	(2,571)
(6,364)	Council dwellings	(4,743)
(4,641)	Other property	(58)
(11,005)		(7,372)

Note 6: Depreciation and impairment

2023/24				2024/25		
Depreciation	Impairment / Reversals	Total		Depreciation	Impairment / Reversals	Total
£'000	£'000	£'000		£'000	£'000	£'000
9,720	833	10,553	Council dwellings	9,571	(2,210)	7,361
80	217	297	Other land and buildings	125		125
1	-	1	Community assets	1		1
46	593	639	Surplus assets	-	1,285	1,285
166		166	Intangibles	150		150
(2)		(2)				-
10,011	1,643	11,654		9,847	(925)	8,922

Note 7: Rent Arrears

2023/24		2024/25
	Rent arrears comprise:	
3,006	Current tenant arrears	1,935
727	Former tenant arrears	741
3,733		2,676
(2,230)	Less: Bad debts provisions	(1,708)
1,503		968

## Collection Fund Statement

The Collection Fund shows the transactions of the Council in its capacity as the billing authority in relation to the collection from taxpayers and the distribution to local authorities and the Government of council tax and non-domestic rates. There is no requirement for a separate Collection Fund balance sheet since the assets and liabilities arising from collecting non-domestic rates and council tax belong to the major preceptors, the billing authority and the Government.

The Council's share of council tax and non-domestic rates income is included in the Comprehensive Income and Expenditure Statement (CIES) on an accruals basis in line with the Code. However, the amount to be recognised in the General Fund is determined by regulation. Therefore, there is an adjustment for the difference between the accrued income and the statutory credit made through the Movement in Reserves Statement and to the Collection Fund Adjustment Account.

2023/24				2024/25			Note
Business Rates	Council Tax	Total		Business Rates	Council Tax	Total	
£'000	£'000	£'000		£'000	£'000	£'000	
			<b>Income</b>				
-	(88,111)	(88,111)	Council Tax receivable		(96,270)	(96,270)	
(101,928)	-	(101,928)	Business Rates receivable	(114,055)		(114,055)	
(7,028)	(333)	(7,361)	Transfer for Transitional Relief, S13A Reliefs and discount for prompt payment		(126)	(126)	
			<b>Apportionment of prior year deficit</b>				
(7,998)		(7,998)	Central Government	(3,907)		(3,907)	
(7,839)	-	(7,839)	Slough Borough Council	(3,829)		(3,829)	
(160)		(160)	Berkshire Fire Authority	(78)		(78)	
-	-	-	Thames Valley police			-	
(108,956)	(88,444)	(197,400)	<b>Total income</b>	(121,869)	(96,396)	(210,451)	
			<b>Expenditure</b>				
			<b>Apportionment of prior year surplus/deficit</b>				
	-	-	Central Government			-	
-	1,578	1,578	Slough Borough Council	-	1,173	1,173	
-	76	76	Berkshire Fire Authority	-	55	55	
-	247	247	Thames Valley police	-	118	118	
			<b>Precepts</b>				
55,478	-	55,478	Central Government	58,511	-	58,511	
54,368	73,027	127,395	Slough Borough Council	57,341	81,444	138,785	
1,110	3,408	4,518	Berkshire Fire Authority	1,170	3,607	4,777	
-	11,061	11,061	Thames Valley police		11,945	11,945	
			<b>Charges to Collection Fund</b>				
2,863	(1,106)	1,757	Increase/(decrease) in allowance for impairment	(128)	2,083	1,955	
(9,663)	-	(9,663)	Increase/(decrease) in allowance for appeals	(926)	-	(926)	
-	-	-	Transitional Protection Payments Payable	676	-	676	
211	-	211	Charge to General Fund for allowable collection costs for non-domestic rates	204	-	204	
104,367	88,291	192,658	<b>Total expenditure</b>	116,848	100,425	217,273	
(20,586)	(153)	(20,739)	(Surplus)/Deficit arising during the year	(5,021)	4,029	(992)	
23,331	(937)	22,394	(Surplus)/Deficit brought forward	2,745	(1,090)	1,655	
2,745	(1,090)	1,655	<b>(Surplus)/Deficit carried forward</b>	(2,276)	2,939	663	

## Notes to the Collection Fund

### Note 1: Council tax income

The Council's tax base for 2024/25 - i.e. the number of chargeable dwellings in each valuation band (adjusted for dwellings where discounts apply), converted to an equivalent number of Band D dwellings - calculated as follows:

Band	Valuation band limits		Estimated number of dwellings after effect of discounts	Ratio	Band D equivalent dwellings	Council Tax charge per band (£)
A	Up to and including - 40,000		1,417	6/9	945	1,221
B	40,000	- 52,000	7,567	7/9	5,886	1,425
C	52,001	- 68,000	19,555	8/9	17,383	1,628
D	68,001	- 88,000	12,520	9/9	12,520	1,832
E	88,001	- 120,000	4,261	11/9	5,207	2,239
F	120,001	- 160,000	1,599	13/9	2,309	2,646
G	160,001	- 320,000	326	15/9	544	3,053
H	More than - 320,000		7	18/9	13	3,663
Total			47,252		44,807	
Less adjustment for collection rates and anticipated changes in valuations and exemptions during the year					-	
Council Tax Base					44,807	

The Council's tax base for 2023/24 - i.e. the number of chargeable dwellings in each valuation band (adjusted for dwellings where discounts apply), converted to an equivalent number of Band D dwellings - calculated as follows:

Band	Valuation band limits		Estimated number of dwellings after effect of discounts	Ratio	Band D equivalent dwellings	Council Tax charge per band (£)
A	Up to and including - 40,000		1,363	6 / 9	908	1,125
B	40,000	- 52,000	7,442	7 / 9	5,788	1,313
C	52,001	- 68,000	19,892	8 / 9	17,682	1,501
D	68,001	- 88,000	11,469	9 / 9	11,469	1,688
E	88,001	- 120,000	4,254	11 / 9	5,199	2,063
F	120,001	- 160,000	1,600	13 / 9	2,312	2,439
G	160,001	- 320,000	322	15 / 9	536	2,814
H	More than - 320,000		7	18 / 9	13	3,376
Total			46,347		43,907	
Less adjustment for collection rates and anticipated changes in valuations and exemptions during the year					(746)	
Council Tax Base					43,160	

**Note 2: Business Rates income**

Non-Domestic Rates are collected locally. The Government specifies an amount and subject to the effects of transitional arrangements, local businesses pay rates calculated by multiplying their rateable value by that amount. In 2024/25 the standard multiplier was 54.6p (51.2p = 2023/24). The small business rate multiplier was 49.9p for 2024/25 (49.9p 2023/24). The Council is responsible for collecting rates due from the ratepayers in its area and distributing the amount collected between itself, central government and major preceptors in proportions specified by central government. This is shown in the Collection Fund Statement and analysed at Note 8. The total rateable value at 31 March 2025 was £273,949k (2023/24: £263,405k).

**Note 3: Collection fund balance apportionment**

2023/24	Business Rates	Council Tax	Total
Organisation	£'000	£'000	£'000
Central Government	1,372		1,372
Slough Borough Council	1,345	(915)	430
Berkshire Fire Authority	27	(41)	(14)
Thames Valley police		(134)	(134)
Total	2,744	(1,090)	1,654

2024/25	Business Rates	Council Tax	Total
Organisation	£'000	£'000	£'000
Central Government	(1,137)		(1,137)
Slough Borough Council	(1,114)	2,464	1,350
Berkshire Fire Authority	(23)	111	88
Thames Valley police		362	362
Total	(2,274)	2,937	663

SECTION – 6

GROUP ACCOUNTS

Group Accounts	Page Number
• Group Comprehensive Income and Expenditure Statement	129
• Group Movement in Reserves Statement	130
• Group Balance Sheet	131
• Group Cash Flow Statement	132
• Notes to the Group Financial Statements	133

## Group Comprehensive Income and Expenditure Statement

2023/24 Restated				2024/25			Note
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	
£'000	£'000	£'000		£'000	£'000	£'000	
2,354	(145)	2,209	ED Monitoring Officer	3,182	(1,101)	2,081	
9,787	(1,845)	7,942	Chief Execs Office	6,066	(1,081)	4,985	
68,736	(44,254)	24,482	Corporate Services	89,439	(59,636)	29,803	
199,799	(157,471)	42,328	ED Children's Services	173,933	(119,859)	54,074	
55,702	(24,360)	31,342	ED Housing, Property & Planning	81,800	(53,248)	28,552	
75,948	(39,301)	36,647	ED Adults' Services	69,749	(22,756)	46,993	
45,820	(20,520)	25,300	ED Place & Communities	-	-	-	
942	(482)	460	Public health	14,724	(13,102)	1,622	
38,181	(42,456)	(4,275)	Housing Revenue Account	37,119	(44,957)	(7,838)	
<b>497,269</b>	<b>(330,834)</b>	<b>166,435</b>	<b>Cost of Services</b>	<b>476,012</b>	<b>(315,740)</b>	<b>160,272</b>	
		24,487	Other operating (income)/expenditure			(4,219)	
		31,929	Financing and investment income and expenditure			12,365	
			Tax due for the year (current and deferred tax)			-	
		(137,504)	Taxation and non-specific grant income and expenditure			(140,020)	
		<b>85,347</b>	<b>(Surplus)/deficit on provision of services</b>			<b>28,398</b>	
		-	- Share of the (surplus)/deficit on the provision of services by joint venture			-	
		-	- Tax expenses of joint venture			-	
		<b>85,347</b>	<b>Group (Surplus)/deficit on provision of services</b>			<b>28,398</b>	
		(123)	Deferred tax relating to revaluation of tangible fixed assets				
		7,265	(Surplus) or deficit on revaluation of property, plant and equipment assets			6,220	
		(18,309)	Remeasurement of the net defined benefit liability			(64,450)	
		<b>(11,167)</b>	<b>Other Comprehensive income and expenditure</b>			<b>(58,230)</b>	
		<b>74,180</b>	<b>Total Comprehensive income and expenditure</b>			<b>(29,832)</b>	



## Group Movement in Reserves Statement

	General Fund	Earmarked Reserves	School Reserves	GF Reserves Total	Housing Revenue Account (HRA)	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Council Usable Reserves	Council Unusable Reserves	Total Group Reserves	Council's share of Reserves from JVs and Subsidiaries	Total Group Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Opening balance 1 April 2023 (Restated)</b>	<b>(21,465)</b>	<b>(58,291)</b>		<b>(79,756)</b>	<b>(21,645)</b>	<b>(81,043)</b>	<b>(15,192)</b>	<b>(31,485)</b>	<b>(229,118)</b>	<b>(386,268)</b>	<b>(615,388)</b>	<b>7,631</b>	<b>(607,757)</b>
Opening Balance Adjustment		10,523	(21,036)	(10,513)					(10,513)	10,513			
<b>Movement in Reserves in 2023/24</b>													
(Surplus)/Deficit on Provision of Services	92,895			92,895	(4,863)				88,032	-	88,032	(2,686)	85,346
Other Comprehensive Income and Expenditure	-	-			-	-	-	-	-	(7,999)	(7,999)	(3,168)	(11,167)
<b>Total Comprehensive Income and Expenditure</b>	<b>92,895</b>	<b>-</b>		<b>92,895</b>	<b>(4,863)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>88,032</b>	<b>(7,999)</b>	<b>80,033</b>	<b>(5,854)</b>	<b>74,179</b>
Adjustments between accounting and funding basis	(32,527)	-		(32,527)	3,840	(13,486)	(206)	(2,259)	(44,638)	44,638	-	-	-
Capitalisation Direction	(46,325)	-		(46,325)	-	-	-	-	(46,325)	46,325	-	-	-
<b>Net (increase)/decrease before transfers to/from reserves</b>	<b>14,043</b>	<b>-</b>		<b>14,043</b>	<b>(1,023)</b>	<b>(13,486)</b>	<b>(206)</b>	<b>(2,259)</b>	<b>(2,931)</b>	<b>82,964</b>	<b>80,033</b>	<b>(5,854)</b>	<b>74,179</b>
Transfer to/(from) - reserves	(16,627)	20,899	(4,272)		-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2024 (Restated)</b>	<b>(24,049)</b>	<b>(26,869)</b>	<b>(25,308)</b>	<b>(76,226)</b>	<b>(22,668)</b>	<b>(94,529)</b>	<b>(15,398)</b>	<b>(33,744)</b>	<b>(242,562)</b>	<b>(292,791)</b>	<b>(535,353)</b>	<b>1,777</b>	<b>(533,576)</b>
<b>Opening balances 1st April 2024</b>	<b>(24,049)</b>	<b>(26,869)</b>	<b>(25,308)</b>	<b>(76,226)</b>	<b>(22,668)</b>	<b>(94,529)</b>	<b>(15,398)</b>	<b>(33,744)</b>	<b>(242,562)</b>	<b>(292,791)</b>	<b>(535,353)</b>	<b>1,777</b>	<b>(533,576)</b>
Opening Balance Adjustment	-	(5,872)		(5,872)	5,872						-	-	
<b>Movement in Reserves in 2024/25</b>													
(Surplus)/Deficit on Provision of Services	35,598			35,598	(8,945)				26,653	-	26,653	1,784	28,437
Other Comprehensive Income and Expenditure	-	-			-	-	-	-	-	(52,445)	(52,445)	(5,782)	(58,230)
<b>Total Comprehensive Income and Expenditure</b>	<b>35,598</b>	<b>-</b>		<b>35,598</b>	<b>(8,945)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,653</b>	<b>(52,445)</b>	<b>(25,792)</b>	<b>(3,998)</b>	<b>(29,793)</b>
Adjustments between accounting and funding basis	1,337			1,337	7,143	57,759	4,095	14,063	84,397	(84,397)	-	-	-
Capitalisation Direction	(23,078)	-		(23,078)	-	-	-	-	(23,078)	23,078	-	-	-
<b>Net (increase)/decrease before transfers to/from reserves</b>	<b>13,857</b>	<b>-</b>		<b>13,857</b>	<b>(1,802)</b>	<b>57,759</b>	<b>4,095</b>	<b>14,063</b>	<b>87,972</b>	<b>(113,764)</b>	<b>(25,792)</b>	<b>(3,998)</b>	<b>(29,793)</b>
Transfer to/(from) - reserves					-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2025</b>	<b>(10,192)</b>	<b>(32,741)</b>	<b>(25,308)</b>	<b>(68,241)</b>	<b>(18,598)</b>	<b>(36,770)</b>	<b>(11,303)</b>	<b>(19,681)</b>	<b>(154,590)</b>	<b>(406,555)</b>	<b>(561,145)</b>	<b>(2,221)</b>	<b>(563,365)</b>

## Group Balance Sheet

31-March-2024 Restated		31-March-2025	
£'000		£'000	Note
1,143,558	Property, Plant and Equipment	1,104,576	2
27,212	Investment Property	48,247	
480	Intangible Assets	256	
-	- Long-term Investments	-	
-	- Investment in Joint venture	-	
3,031	Long-term Debtors	5,958	
<b>1,174,281</b>	<b>Total Long-term Assets</b>	<b>1,159,037</b>	
-	- Assets Held for Sale	6,999	
432	Short Term Investments	32	
-	- Defined benefit pension surplus	3,623	
43,402	Short term debtors	53,195	
38,622	Cash and Cash Equivalents	25,740	
<b>82,456</b>	<b>Current Assets</b>	<b>89,589</b>	
(69,000)	Short-term Borrowing	(99,863)	
(96,761)	Short-term Creditors	(77,064)	
(9,243)	Short-term Provisions	(23,340)	
-	- Capital grants received in advance	(10,342)	
<b>(175,004)</b>	<b>Current Liabilities</b>	<b>(210,609)</b>	
-	- Grants received in advance	(34,284)	
(17,995)	Long-term Creditors	(2,785)	
(2,822)	Long-term Provisions	(170)	
(390,432)	Long-term Borrowing	(362,069)	
(136,908)	Other Long-Term Liabilities	(75,344)	
<b>(548,157)</b>	<b>Long-term Liabilities</b>	<b>(474,652)</b>	
<b>533,576</b>	<b>Net Assets</b>	<b>563,365</b>	
233,809	Usable Reserves	142,740	
299,767	Unusable Reserves	420,625	
<b>533,576</b>	<b>Total Reserves</b>	<b>563,365</b>	

Group Cash Flow Statement

2023/24		2024/25	
£'000		£'000	Note
(85,347)	Net (deficit) surplus on the provision of services	(28,398)	
109,599	Adjustment to (surplus) or deficit on the provision of services for non-cash movements	4,248	3
74,356	Adjustment for items included in the net (surplus) or deficit on the provision of services that are investing and financing activities	(20,487)	3
98,608	Net cash flows from operating activities	(44,637)	
37,408	Investing Activities	32,110	4
(132,409)	Financing Activities	(357)	5
3,607	Net increase in cash and cash equivalents	(12,884)	
35,015	Cash and cash equivalents at the beginning of the reporting period	38,622	
38,622	Cash and cash equivalents at the end of the reporting period	25,740	

Notes to the Group Financial Statements

Note 1: Basis of Preparation

The Group accounts have been prepared in accordance with the requirements of CIPFA's 2024/25 Code of Practice, by:

- Identifying entities within the Group accounting boundary that falls within the materiality for consolidation
- Consolidating controlled entities on a line-by-line basis in the Group financial statements, eliminating intra-group balances and transactions in full.
- Consolidating joint ventures using the equity method, by including the Council's share of company profits and losses as a single line item in the Group Comprehensive Income and Expenditure Statement and Group Balance Sheet.
- Subsidiary entities GRE5 and SUR LLP has not been consolidated as the entities falls outside the scope of materiality threshold for consolidation.

The following two subsidiary entities have been included for consolidation in the Group financial statements:

Company	Classification	Consolidation method
Slough Children First Limited	Subsidiary	line by line
James Elliman Homes Limited	Subsidiary	line by line

**Note 2: Group Property, Plant and Equipment**

Movements in 2024/25	Operational assets					Non-operational assets		Total
	Council dwellings	Other land and buildings	Vehicles, plant and equipment	Infrastructure assets	Community assets	Surplus assets	Assets under construction	Property, plant and equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>At 1 April 2024</b>	<b>608,175</b>	<b>363,626</b>	<b>79,130</b>	<b>132,108</b>	<b>9,953</b>	<b>46,462</b>	<b>1,296</b>	<b>1,240,750</b>
Adjustment for ROU assets (IFRS16)	-	4,230	828	-	-	-	-	5,058
Adjustment of opening balances	(6,241)	502	254	(14,109)	-	-	-	(19,594)
<b>Restated Opening balances as at 01.04.2024</b>	<b>601,934</b>	<b>368,358</b>	<b>80,212</b>	<b>117,999</b>	<b>9,953</b>	<b>46,462</b>	<b>1,296</b>	<b>1,226,214</b>
Adjustments to cost/value & depreciation/impairment	(9,511)	(4,225)	(1,733)	-	-	(254)	-	(15,723)
Additions	14,602	1,342	1,882	2,383	-	(76)	780	20,913
Revaluation increases/(decreases) recognised in the revaluation reserve	10,439	(23,452)	1,189	-	-	2,783	-	(9,041)
Revaluation increases/(decreases) recognised in the surplus/(deficit) on the provision of services	2,210	6,307	164	-	-	(496)	-	8,185
Derecognition – disposals	(3,828)	(4,388)	-	-	-	(2,561)	(226)	(11,003)
Reclassified as Assets Held for Sale	-	(352)	-	-	-	(27,356)	-	(27,708)
Other transfers/movements	-	(2,220)	(1,287)	-	(54)	3,736	(174)	1
<b>At 31 March 2025</b>	<b>615,846</b>	<b>341,370</b>	<b>80,427</b>	<b>120,382</b>	<b>9,899</b>	<b>22,238</b>	<b>1,676</b>	<b>1,191,838</b>
<b>Accumulated depreciation and impairment</b>								
<b>At 1 April 2024</b>		<b>(5,472)</b>	<b>(25,500)</b>	<b>(65,840)</b>	<b>(66)</b>	<b>(203)</b>	<b>(1)</b>	<b>(97,082)</b>
Adjustment of Opening balances	6,241	(502)	(254)	14,109				19,594
<b>Restated balance as at 1 April 2024</b>	<b>6,241</b>	<b>(5,974)</b>	<b>(25,754)</b>	<b>(51,731)</b>	<b>(66)</b>	<b>(203)</b>	<b>(1)</b>	<b>(77,488)</b>
Adjustments to cost/value & depreciation/impairment	9,511	4,225	1,733	-	-	254	-	15,723
Depreciation charge	(9,571)	(5,114)	(4,058)	(6,661)	(12)	(105)	-	(25,521)
Depreciation written out to the revaluation reserve								-
Depreciation written out to the surplus/(deficit) on the provision of services								-
Derecognition – disposal	60					5	1	66
Reclassifications and transfers		5						5
Other transfers/movements		(190)	291			(148)		(47)
<b>At 31 March 2025</b>	<b>6,241</b>	<b>(7,048)</b>	<b>(27,788)</b>	<b>(58,392)</b>	<b>(78)</b>	<b>(197)</b>	<b>-</b>	<b>(87,262)</b>
<b>Net book value at 31 March 2024</b>	<b>608,175</b>	<b>358,154</b>	<b>53,630</b>	<b>66,268</b>	<b>9,887</b>	<b>46,259</b>	<b>1,295</b>	<b>1,143,668</b>
<b>Net book value at 31 March 2025</b>	<b>622,087</b>	<b>334,322</b>	<b>52,639</b>	<b>61,990</b>	<b>9,821</b>	<b>22,041</b>	<b>1,676</b>	<b>1,104,576</b>

**Note 2: Group Property, Plant and Equipment (continued)**

Movements in 2023/24	Operational assets					Non-operational assets		Total
	Council dwellings	Other land and buildings (restated)	Vehicles, plant and equipment	Infrastructure assets	Community assets	Surplus assets	Assets under construction	Property, plant and equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>At 1 April 2023</b>	<b>620,125</b>	<b>401,213</b>	<b>79,923</b>	<b>142,767</b>	<b>9,953</b>	<b>23,380</b>	<b>4,660</b>	<b>1,282,021</b>
Adjustments to cost/value & depreciation/impairment	(9,636)	(5,121)	(4,145)			(46)		(18,948)
Additions	9,813	1,206	267	3,450		907	173	15,816
Revaluation increases/(decreases) recognised in the revaluation reserve	(1,436)	(16,325)	8,197			601	(212)	(9,175)
Revaluation increases/(decreases) recognised in the surplus/(deficit) on the provision of services	(797)	(16,628)	(4,139)			(593)	(4)	(22,161)
Derecognition – disposals	(3,654)		(1,006)			(10,973)	(3,273)	(18,906)
Other transfers/movements		(1,221)	(222)			33,186	(48)	31,695
<b>At 31 March 2024</b>	<b>614,415</b>	<b>363,124</b>	<b>78,875</b>	<b>146,217</b>	<b>9,953</b>	<b>46,462</b>	<b>1,296</b>	<b>1,260,342</b>
<b>Accumulated depreciation and impairment</b>								
<b>At 1 April 2023</b>	<b>(6,240)</b>	<b>(4,971)</b>	<b>(27,163)</b>	<b>(73,185)</b>	<b>(52)</b>	<b>(196)</b>	<b>(3)</b>	<b>(111,810)</b>
Adjustments to cost/value & depreciation/impairment	9,636	5,121	4,145			46		18,948
Depreciation charge	(9,691)	(4,963)	(3,296)	(6,783)	(12)	(51)		(24,796)
Depreciation written out to the revaluation reserve								
Depreciation written out to the surplus/(deficit) on the provision of services								
Derecognition – disposal	55		989				2	1,046
Other transfers/movements		(252)	79					(173)
<b>At 31 March 2024</b>	<b>(6,240)</b>	<b>(5,065)</b>	<b>(25,246)</b>	<b>(79,968)</b>	<b>(64)</b>	<b>(201)</b>	<b>(1)</b>	<b>(116,785)</b>
<b>Net book value at 31 March 2023</b>	<b>613,885</b>	<b>396,242</b>	<b>52,760</b>	<b>69,582</b>	<b>9,901</b>	<b>23,184</b>	<b>4,657</b>	<b>1,170,211</b>
<b>Net book value at 31 March 2024</b>	<b>608,175</b>	<b>358,059</b>	<b>53,629</b>	<b>66,249</b>	<b>9,889</b>	<b>46,261</b>	<b>1,295</b>	<b>1,143,558</b>

**Note 3: Group Cash Flow Statement - Operating Activities**

2023/24		2024/25
£'000		£'000
85,347	<b>Net surplus or (deficit) on the provision of services</b>	<b>28,398</b>
	<i>Adjustments for non-cash movements:</i>	
(57,589)	Depreciation	(17,571)
	Impairments and downward revaluation	
	Amortisation	(2,936)
8,021	Net increase/decrease in creditors, debtors and inventories	39,216
(1,221)	Pensions liability	2,927
	Carrying amount of non-current assets sold	(14,736)
(58,810)	Other non-cash items	(11,148)
<b>(109,599)</b>	<b>Subtotal</b>	<b>(4,248)</b>
	<i>Adjustments for items that are investing or financing activities:</i>	
(118,690)	Proceeds from short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries)	(400)
34,636	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	19,174
9,698	Any other items for which the cash effects are investing or financing cash flows	1,713
<b>(74,356)</b>	<b>Subtotal</b>	<b>20,487</b>
<b>(98,608)</b>	<b>Net cash flows from operating activities</b>	<b>44,637</b>

The cash flows for operating activities include the following items:

2023/24		2024/25
£'000		£'000
6,601	Interest received	1,389
(31,769)	Interest paid	(20,625)
<b>(25,168)</b>	<b>Total</b>	<b>(19,236)</b>

**Note 4: Group Cash Flow Statement - Investing Activities**

2023/24		2024/25
£'000		£'000
(15,298)	Purchase of property, plant and equipment, investment property and intangible assets	(20,528)
-	Purchase of short-term and long-term investments	
(1,928)	Other payments for investing activities	(2,739)
34,636	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	19,174
	Proceeds from short-term and long-term investments	
19,998	Other receipts from investing activities	36,203
37,408	<b>Net cash flows from investing activities</b>	<b>32,110</b>

**Note 5: Group Cash Flow Statement - Financing Activities**

2023/24		2024/25
£'000		£'000
	Cash receipts/(payments) of short-term and long-term borrowings	2,501
	Other receipts from financing activities	
	Council Tax and NNDR adjustments	
(1,933)	Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts	(2,858)
(130,476)	Repayments of short-term and long-term borrowing	
	Other payments from financing activities	
(132,409)	<b>Net cash flows from financing activities</b>	<b>(357)</b>



This page has been intentionally left blank

**SECTION – 7**  
**GLOSSARY OF FINANCIAL TERMS**

DRAFT

## GLOSSARY OF FINANCIAL TERMS

### ACCOUNTING POLICIES

The rules and practices adopted by the Council that determine how transactions and events are reflected in the accounts.

### ACCRUALS

The concept that income and expenditure are recognised as earned or incurred, not as money that is received or paid.

### ACTUARY

An independent consultant who advises on the financial position of the Pension Fund.

### ACTUARIAL GAINS AND LOSSES

These arise where actual events have not coincided with the actuarial assumptions made for the last valuations (known as experience gains and losses) or the actuarial assumptions have been changed

### ACTUARIAL VALUATION

A review is carried out by the actuary on the Pension Fund's assets and liabilities on the Fund's financial position and recommended employers' contribution rates every 3 years reporting to the Council.

### AMORTISATION

The writing off of an intangible fixed asset or a loan balance over a period of time to the Comprehensive Income and Expenditure Statement over a period of time

### BAD DEBT PROVISION

An amount set aside to cover money owed to the Council where payment is considered doubtful.

### BAND PROPORTIONS

(Also known as VALUATION BANDS)

This is the relation that a Council Tax property bears to the 'standard' Band D Council Tax. The band proportions are expressed in ninths and are specified in the Local Government Finance Act 1992. They are: A 6/9, B 7/9, C 8/9, D 9/9, E 11/9, F 13/9, G 15/9 and H 18/9, so that Band A is six ninths of the 'standard', and so on.

### BILLING AUTHORITY

A district, unitary or London Borough Council or the Council of the Scilly Isles. The billing authority is responsible for levying and collecting Council Tax in its area, both on its own behalf and that of its precepting authorities.

### BUDGET

The budget represents a statement of the Council's planned expenditure and income.

### BUSINESS RATE RETENTION

The NNDR pool was replaced in 2013/14 by the Business Rates Retention scheme, whereby authorities retain a percentage of the Business Rates collected locally.

### CAPITAL EXPENDITURE

Expenditure on acquisition of a non-current asset or expenditure that adds to and not merely maintains the value of an existing asset.

### CAPITAL FINANCING

This describes the various sources of money used to pay for capital expenditure. Capital expenditure can be funded from external sources, such as borrowing, capital grants and by contribution from the internal sources, such as capital receipts and reserves.

## GLOSSARY OF FINANCIAL TERM (continued)

### CAPITAL PROGRAMME

The Council's plan of capital projects and spending over future years. Included in this category are the purchase of land and buildings, the erection of new buildings and works, design fees and the acquisition of vehicles, plant and major items of equipment, as well as support to other organisations/residents for works of a capital nature.

### CAPITAL RECEIPTS

Income received from the sale of land, buildings or equipment

### CARRYING AMOUNT/CARRYING VALUE

These terms refer to the capitalised cost of a non-current asset, less accumulated depreciation and impairment.

### CASH EQUIVALENTS

Short-term, highly liquid investments that are readily convertible to cash; e.g. bank call accounts.

### CIPFA (CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTING)

CIPFA is the professional institute for accountants working in the public services. CIPFA publishes the Code (see below).

### CODE OF PRACTICE

The Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

### COLLECTION FUND

A fund operated by the billing authority into which all receipts of Council Tax and National Non-Domestic Rates are paid. Payments are made from the fund to support the Council's general fund services and to the precepting authorities. The fund must be maintained separately from the authority's General Fund.

### COMMUNITY ASSETS

Assets that the Council intends to hold in perpetuity that have no determinable useful life and that may have restrictions on their disposal, such as parks and historic buildings.

### COMPONENTISATION

The recognition of distinct parts of an asset (components) as separate assets for depreciation purposes.

### CONSUMER PRICE INDEX (CPI)

The measure of inflation used for the indexation of benefits, tax credits and public service pensions. The CPI is an internationally comparable measure of inflation.

### CONTINGENT ASSET

A possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

### CONTINGENT LIABILITY

Sums of money that the Council will be liable to pay in certain circumstances. e.g. as a result of losing a court case.

### COUNCIL TAX

A system of local taxation, which is set by both the billing and precepting authorities at a level determined by the revenue expenditure requirement for each authority, divided by the Council Tax Base for its area.

### COUNCIL TAX BASE

An amount calculated by the billing authority, by applying the band proportions to the total properties in each band in order to calculate the number of band D equivalent properties in the authority's area. The tax base is also used by the precepting and some levying bodies in determining their charge to the area.

### CURRENT SERVICE COST

An estimate of the true economic cost of employing people in a financial year. It measures the full liability estimated to have been generated in the year.

## GLOSSARY OF FINANCIAL TERM (continued)

### CREDITORS

Amounts of money owed by the Council for goods or services received.

### CURRENT SERVICE COST

An estimate of the true economic cost of employing people in a financial year. It measures the full liability estimated to have been generated in the year.

### DEBTORS

Amounts of money owed to the Council for goods or services provided.

### DEDICATED SCHOOLS GRANT (DSG)

A ring-fenced grant from the Department for Education paid to Local Education Authorities for the Education of Children and Young Adults up to the age of 25.

### DEFINED BENEFIT SCHEME

A pension or other retirement benefit scheme other than a defined contribution scheme.

### DEFINED CONTRIBUTION SCHEME

A pension or retirement benefit scheme where employees make fixed contributions, and the employer has no obligation to make additional payments if the scheme lacks sufficient assets to cover benefits for past and current service.

### DEPRECIATION

A provision made in the accounts to reflect the cost of consuming assets during the year, e.g. a vehicle purchased for £30,000 with a life of five years would depreciate on a straight-line basis at the rate of £6,000 per annum. Depreciation forms part of the 'capital charges' made to service revenue accounts and is covered by International Accounting Standard (IAS) 16.

### DIRECT REVENUE FINANCING

Funding of capital expenditure directly from revenue budgets.

### EARMARKED RESERVES

Amounts set aside for a specific purpose to meet future commitments or potential liabilities, for which it is not appropriate to establish a provision.

### EXIT PACKAGES

The cost to the Council of early termination of staff employment before normal retirement age.

### EXTERNAL AUDITOR

The Public Sector Audit Appointments Limited (PSAA) appoints the external auditor. The current auditor is Grant Thornton LLP.

### EVENTS AFTER THE BALANCE SHEET DATE

These events, both favourable and unfavourable, occur between the Balance Sheet date (31 March) and the date on which the statement of accounts are signed.

### FAIR VALUE

Fair Value is defined as the amount for which an asset could be exchanged or a liability settled, assuming that the transaction was negotiated between parties knowledgeable about the market in which they are dealing and willing to buy/sell at an appropriate price, with no motive in their negotiations other than to secure a fair price.

### FINANCE LEASE

A contractual agreement for the use of an asset, where in substance the risks and rewards associated with ownership reside with the user of the asset (lessee) rather than the owner (lessor).

### FINANCIAL YEAR

The local authority financial year starts on 1 April and ends the following 31 March.

### FIXED ASSETS

Assets that yield benefit to the Council and the services it provides for a period of more than one year.

## GLOSSARY OF FINANCIAL TERM (continued)

### GENERAL FUND

This is the main revenue account of the Council. It includes the cost of all services provided which are paid from Government grants, generated income, NNDR retention and borough's share of Council Tax. It excludes the HRA. By law, it includes the cost of services provided by other bodies who charge a levy to the Council.

### GOING CONCERN

The concept that the authority will remain in operational existence for the foreseeable future, in particular that the revenue accounts and balance sheet assume no intention to curtail significantly the scale of operations.

### GROUP ACCOUNTS

Where a Council has a material interest in another organisation (e.g. subsidiary organisation) group accounts have to be produced. These accounts report the financial position of the Council and all organisations in which it has an interest.

### HERITAGE ASSETS

Assets held and maintained principally for their contribution to knowledge and culture. e.g. War memorials and museum stocks.

### HOUSING REVENUE ACCOUNT (HRA)

An account which includes expenditure and income arising from the provision of rented dwellings. It is, in effect, a landlord account. Statute provides for this account to be separate from the General Fund and any surplus or deficit must be retained within the HRA. No costs may be charged to Council Tax nor can Housing Rent income be used to support General Fund expenditure.

### IMPAIRMENT

A reduction in the value of a non-current asset (but not through economic consumption) below the carrying value in the accounts.

### INFRASTRUCTURE ASSETS

Non-current assets that are unable to be readily disposed of, the expenditure on which is recoverable only by continued use of the asset created. Examples are highways and footpaths.

### INTANGIBLE ASSETS

Assets which do not have a physical form but provide an economic benefit for a period of more than one year; e.g. software licences.

### INTEREST COST-Pensions

For defined benefit pension schemes the interest cost is the present value of the liabilities during the year because of moving one year closer to being paid.

### INTERNATIONAL FINANCIAL REPORTING INTERPRETATION COMMITTEE (IFRIC)

The body which set financial reporting guidelines based on International Financial Reporting Standards.

### INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Local authorities are required to adopt the International Financial Reporting Standards (IFRS); a code of practice based on an internationally agreed set of financial rules. These dictate a level of analysis and disclosure that allows readers of the Statement of Accounts to gain a clearer understanding of the Council's financial position and activities.

### INVENTORIES

Materials or supplies to be used in the production process or in providing services; for this Council, the fuel transport store.

### LEVIES

The Council is statutorily required to make payments to bodies such as the Environment Agency. The cost of these bodies is borne by local authorities in the area concerned based on their Council Tax base and is met from the General Fund.

### MINIMUM REVENUE PROVISION (MRP)

The minimum revenue provision (MRP) is the minimum amount that must be charged to an authority's revenue account each year and set aside as a provision for debt repayment or other credit liabilities.

## **GLOSSARY OF FINANCIAL TERM (continued)**

### **NATIONAL NON-DOMESTIC RATE (NNDR)**

More commonly known as 'business rates', these are collected by billing authorities from all non-residential buildings. The poundage level is set by the Treasury. Amounts payable are based on rateable values multiplied by this poundage level.

### **NEW HOMES BONUS**

New Homes Bonus is a Government scheme aimed at encouraging local authorities to grant planning permissions for building new houses and bringing long-term empty properties back into use. The non ring-fenced grant is based on the number of new properties.

### **NET BOOK VALUE**

The amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current value, less the cumulative amounts provided for depreciation.

### **NON-CURRENT ASSETS**

Assets which yield a benefit to the Council for a period of more than one year.

### **OPERATIONAL ASSETS**

Fixed assets held and occupied, used or consumed by the Council in the direct delivery of those services for which it has either a statutory or a discretionary responsibility.

### **NON-OPERATIONAL ASSETS**

Fixed assets held by a Council, but not directly occupied, used or consumed in the delivery of services; for example, investment properties and assets surplus to requirements held pending sale or redevelopment.

### **OUTTURN**

This is the actual level of expenditure and income for the financial year.

### **PAST SERVICE COST**

These events, both favourable and unfavourable, occur between the Balance Sheet date (31 March) and the date on which the statement of accounts are signed.

### **PENSION FUNDS**

For the Local Government Pension Scheme, the funds that invest employers' and employees' pension contributions in order to provide pensions for employees on their retirement and pensions for employees' dependants in the event of death of an employee.

### **PENSION STRAIN**

The cost to the Council of reimbursing the Pension Fund should it agree to employees aged 55 and over drawing their pension before normal retirement age.

### **PRIVATE FINANCE INITIATIVE (PFI)**

PFI offers a form of Public-Private Partnership in which local authorities do not buy assets but rather pay for the use of assets held by the private sector.

### **PRECEPT**

The charge made by one authority (the precepting authority such as Royal Berkshire Fire and Thames Valley Police) on another authority (the billing authority such as Slough Borough Council) to obtain income to finance its net expenditure. The precept levied by the precepting authority is incorporated within the Council Tax charge. The Council pays the amount demanded over an agreed time scale.

## GLOSSARY OF FINANCIAL TERM (continued)

### PROPERTY, PLANT AND EQUIPMENT (PPE)

Covers all tangible (physical) assets used in the delivery of services, for rental to others, or for administrative purposes, that are used for more than one year.

### PROVISION

Amount set aside for liabilities and losses, which are certain or very likely to occur but where the exact amount or timing of the payment is uncertain.

### PRUDENTIAL CODE

The Prudential Code frees authorities to set their own borrowing limits having regard to affordability. In order to demonstrate this has been done, and enable adherence to be monitored, authorities are required to adopt a number of appropriate 'Prudential Indicators'.

### PUBLIC WORKS LOAN BOARD (PWLb)

A government agency, part of the Debt Management Office which lends money to public bodies for capital purposes. The majority of borrowers are local authorities. Monies are drawn from the National Loans Fund and rates of interest are determined by the Treasury.

### PUPIL PREMIUM GRANT

This is based on Free School Meals (FSM) eligibility data as at January each year. It is ring-fenced to schools in the same way as DSG.

### RATEABLE VALUE

The Valuation Office Agency (part of HM Revenue and Customs) assesses the rateable value of non-domestic properties. Business rate bills are set by multiplying the rateable value by the NNDR poundage set by the Government for the year. Domestic properties do not have rateable values; instead they are assigned to one of the eight valuation bands for Council Tax.

### RELATED PARTIES

People or organisations that control, influence, or are influenced by the council, including members, officers, their close family, and entities they have significant interest in.

### RELATED PARTY TRANSACTION

A transfer of resources, services, or obligations between the council and a related party, regardless of whether a price is charged.

### RESERVES

An amount set aside for a specific purpose in one year and carried forward to meet future obligations.

### RETAIL PRICE INDEX (RPI)

The measure of inflation used prior to the adoption of CPI by the Government.

### REVALUATION

Recognises increases or decreases in the value of non-current assets that are not matched by expenditure on the asset; gains or losses are accounted for through the revaluation reserve.

### REVENUE EXPENDITURE

The regular day to day running costs a Council incurs to provide services.

### REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE (REFCUS)

Expenditure which is legitimately financed from capital resources, but which does not result in, or remain matched with tangible assets.

### REVENUE SUPPORT GRANT (RSG)

The general grant paid by the Government to local authorities to help finance their services.

### RIGHT OF USE ASSET

The lessee's (i.e. tenant's) right to use an asset over the life of a lease.



**GLOSSARY OF FINANCIAL TERM (continued)**

**SURPLUS ASSETS**

Assets not being used in the delivery of services that do not qualify as being 'held for sale' under accounting guidance.

**SOFT LOANS**

Funds received and advanced at less than market rates.

**UNSUPPORTED BORROWING**

Local authorities can set their own borrowing levels based upon their capital need and their ability to pay for the borrowing, costs are not supported by the Government so services need to ensure they can fund the repayment costs. The borrowing may also be referred to as Prudential Borrowing.

**USABLE CAPITAL RECEIPTS**

This represents the amount of capital receipts available to finance capital expenditure in future years, or to provide for the repayment of debt.

**ABBREVIATIONS USED IN THE ACCOUNTS:**

**CCG** – Clinical Commissioning Group

**CIPFA** – Chartered Institute of Public Finance and Accountancy

**CIES** – Comprehensive Income and Expenditure Statement

**CPI** – Consumer Price Index

**DSG** – Dedicated Schools Grant

**EIP** – Equal Interest and Principal

**EIR** – Effective Interest Rate

**FRS** – Financial Reporting Standard

**HRA** – Housing Revenue Account

**IAS** – International Accounting Standards

**ISB** – Individual Schools Budget

**IFRS** – International Financial Reporting Standards

**MIRS** – Movement in Reserves Statement

**MRR** – Major Repairs Reserve

**NNDR** – National Non-Domestic Rates

**PFI** – Private Finance Initiative

**PPE** – Property, Plant and Equipment

**PWLB** – Public Works Loan Board

**REFCUS** – Revenue Expenditure Funded From Capital Under Statute

**RICS** – Royal Institution of Chartered Surveyors

**ROU** – Right Of Use

**RPI** – Retail Price Index

**RSG** – Revenue Support Grant

**RTB** – Right to Buy

**SOLACE** – Society of Local Authority Chief Executives