

The County Council of the City and County of Cardiff

Summary Statement of Accounts 2017/18

Income and Expenditure

The Income & Expenditure Account below presents the cost of running Council Services for the 2017/18 financial year. It also shows where the money came from to finance these costs.

Council Tax:

Council Tax is collected by the Council and includes precepts for the police and community councils where applicable. These precepts are then passed onto the relevant bodies.

Band D Council Tax	£
Cardiff Council	1,099.52
Police & Crime Commissioner for South Wales	218.24
Total	1,317.76
Net Proceeds from Council Tax	£000
Council Tax Collectible	(191,095)
Provision for Non-Payment	2,070
Total Council Tax Income	(189,025)

Total Council Tax income funds just over a quarter of the Council's net expenditure.	At the end of March 2018 the provision for bad debt relating to council tax was £7m.	The council tax collection rate for 2017/18 was 97.7%.
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Non-Domestic Rates:

Non-Domestic Rates (NDR) are taxes levied based on the value of buildings used in business or for non-domestic purposes. The rates are set by the Welsh Government but collected by the Council. The funds are collected in one pool and redistributed to Councils on the basis of adult population.

	£000
Non-Domestic Rates Collectible	184,953
Cost of Collection Allowance	(893)
Provision for Non-Payment of NDR	(1,459)
Payment into National Pool	182,601
Redistribution from National pool	(115,480)

The Welsh Government 2017/18 NDR rate is 49.9p per pound of the business' rateable value.

The net NDR collected by Cardiff for 17/18 totalled £183m. Cardiff received £115m after Redistribution.

The majority – 53% of total funding for the year 2017/18 is received through Grant from the Welsh Government.

Income and Expenditure	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
City Operations	99,912	(45,371)	54,541
Communities, Housing & Customer Services	239,651	(191,395)	48,256
Corporate Management	13,455	(3,164)	10,291
Economic Development	85,033	(48,519)	36,514
Education & Lifelong Learning	385,757	(100,473)	285,284
Governance & Legal Services	8,911	(1,896)	7,015
Harbour Authority	9,134	(6,484)	2,650
Housing Revenue Account	53,836	(72,896)	(19,060)
Resources	29,681	(8,287)	21,394
Social Services	189,194	(31,610)	157,584
Summary Revenue Account	2,701	(5,813)	(3,112)
Net Cost of Services	1,117,265	(515,908)	601,357
Police & Crime Commissioner Precept	31,216	0	31,216
Community Council Precepts	310	0	310
Levies & Contributions	17,115	0	17,115
(Gain)/loss on sale of fixed assets	29,135	(27,146)	1,989
Other Operating Expenditure	77,776	(27,146)	50,630
Interest Payable on debt	31,781	0	31,781
Pensions Interest Cost	14,690	0	14,690
Interest & Investment Income	0	(700)	(700)
Change in fair value of Investment Properties	2,502	(38)	2,464
Financing /Investment Income & Expenditure	48,973	(738)	48,235
Recognised Capital Grants & Contributions	0	(50,734)	(50,734)
Revenue Support Grant	0	(312,736)	(312,736)
Non-Domestic Rates	0	(115,480)	(115,480)
Council Tax Income	2,070	(191,095)	(189,025)
Taxation & Non-Specific Grant Income	2,070	(670,045)	(667,975)
(Surplus) on Provision of Services			32,247
Revaluation Gains			(2,262)
Revaluation Losses			2,128
Impairment losses on non-current assets charged to the Revaluation Reserve			361
Deficit on revaluation of available for sale financial assets			(305)
Actuarial (gains)/losses on pension assets/liabilities			33,581
Other Comprehensive Income & Expenditure			33,503
Total Comprehensive Income & Expenditure			65,750

Balance Sheet	31 March 2018	£000	£000
Property Plant & Equipment		1,711,579	
Heritage & Intangible Assets		56,800	
Investment Property		103,820	
Long-term Investments		13,996	
Long-term Debtors		8,087	
Total Long Term Assets			1,894,282

Short-term Investments	34,033	
Held for Sale Assets	6,375	
Inventories	2,129	
Short-term Debtors	86,927	
Cash and Cash Equivalents	54,057	
Total Current Assets		183,521

Short Term Borrowing	(13,440)	
Short Term Creditors	(87,928)	
Pension Strain	(1,884)	
Provisions	(5,005)	
Deferred Liabilities	(3,195)	
Total Current Liabilities		(111,452)

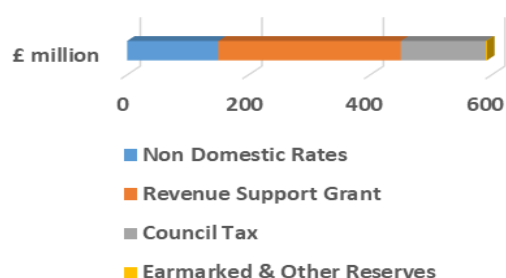
Long Term Borrowing	(688,713)	
Provisions	(24,412)	
Deferred Liabilities	(12,006)	
Capital Contributions Receipts in Advance	(9,961)	
Revenue Grants Receipts in Advance	(6,484)	
Capital Grants Receipts in Advance	(412)	
Pensions Strain	(2,794)	
Net Pensions Liability	(643,282)	
Total Long Term Liabilities		(1,388,064)
NET ASSETS		578,287

Financed by:

Council Fund Balance	14,255	
Council Fund Earmarked Reserves	61,843	
Housing Revenue Account Balance	8,983	
HRA Earmarked Reserves	3,223	
Capital Receipts Reserve	21,320	
Usable Reserves		109,624

Revaluation Reserve	255,582	
Capital Adjustment Account	852,323	
Deferred Capital Receipts	4,511	
Available for Sale Financial Instruments Reserve	13,540	
Pensions Reserve	(647,960)	
Accumulated Absences Adjustment	(9,333)	
Unusable Reserves		468,663
TOTAL RESERVES		578,287

How Revenue Budget was paid for



Movement on Council Fund Balance	£000
Balance at the end of the previous year	14,255
Surplus or (deficit) on the provision of Services (exc. Housing Revenue Account)	(53,869)
Adjustments between accounting basis & funding basis under regulations	56,321
Transfers to/(from) Earmarked Reserves	(2,452)
Increase/(Decrease) in 2017/18	0
Balance at the end of the current year	14,255

The Council Fund Balance of £14.255m represents accumulated surpluses retained by Cardiff Council.	Earmarked Reserves for 17/18 totalled £65.066m, including £11.660m of Schools Reserves.	Earmarked Reserves are sums of money put aside for specific uses. A detailed list can be found in the full Statement of Accounts.
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Housing Revenue Account (HRA)	£000
Income	
Dwelling rents	(66,105)
Non-dwelling rents	(80)
Charges for services and facilities	(6,711)
Total Income	(72,896)

Expenditure	
Repairs and maintenance	20,697
Supervision and management	22,078
Rents, rates, taxes and other charges	96
Provision for bad and doubtful debts	701
Depreciation, impairment and revaluation of non-current assets	10,164
Sums directed by the Welsh Government that are expenditure in accordance with the Code	55
Debt management costs	45
Total Expenditure	53,836

Net Cost for HRA Services	(19,060)
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HRA share of the operating income and expenditure

(Gain)/loss on sale of HRA non-current assets	(2,485)
Interest payable and similar charges	11,779
Changes in fair value of investment properties	0
Interest and Investment income	(1)
Capital grants and contributions applied	(11,855)
(Surplus) for year on HRA services	(21,622)

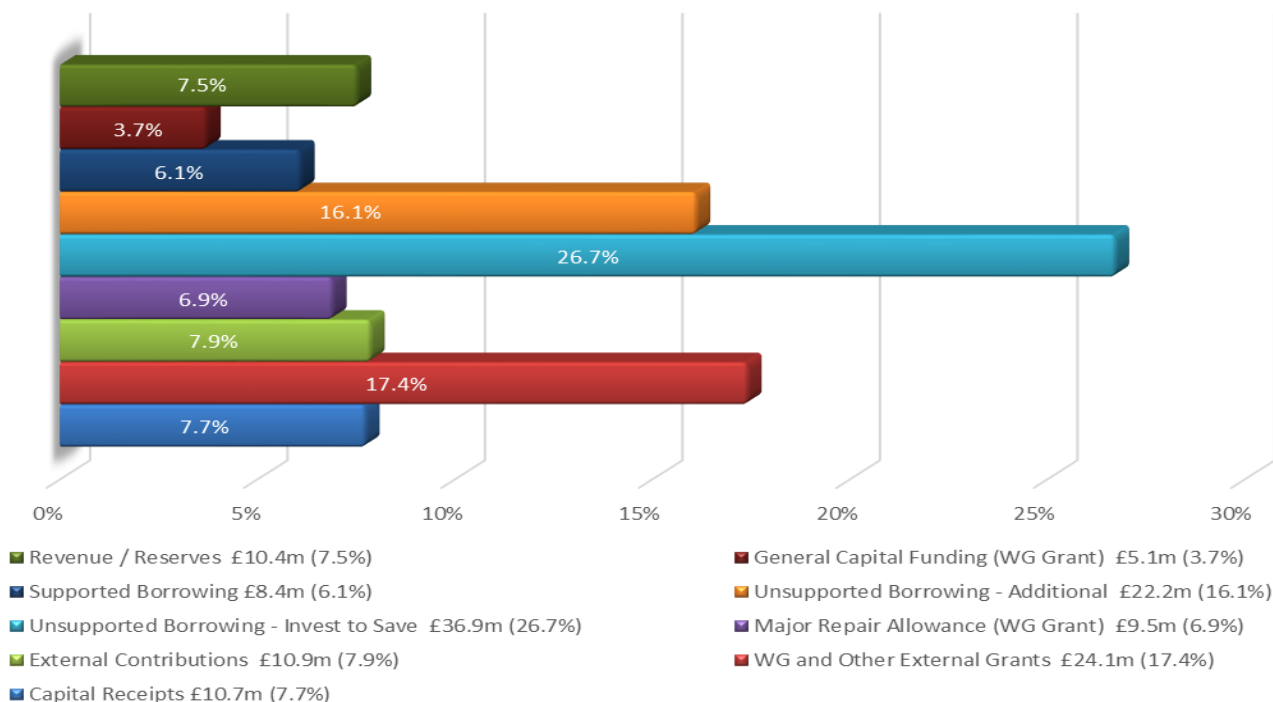
Balance on HRA at end of previous year	(8,438)
(Surplus) for year on HRA services	(21,622)
Adjustments between accounting basis and funding basis under regulations and reserves	21,940
Transfers to/(from) Reserves	(863)
Net increase in the year on the HRA	(545)
Balance on HRA at end of current year	(8,983)

Capital Expenditure:

Capital expenditure represents money spent on improving, acquiring and enhancing assets that are used in the provision of services as well as a number of items determined by legislation. Capital expenditure during the year totalled £138.265 million, with the main items of expenditure described in the table below:

		£m
Housing, Neighbourhood Regeneration & Hubs	Disabled adaptation grants, allowing people to live independently in their homes; environmental and shop front improvements; a comprehensive regeneration scheme for Maelfa Centre in Llanedeyrn; opening of hubs in Llanishen, Llandaff North and Llanedeyrn.	10.9
Education & Lifelong Learning	Completion of the new Eastern Community Campus; start of construction of a new high school in the West, three new primary schools and extensions of facilities at a number of schools; investment in the condition of school buildings to address electrical and other safety compliance works.	57.9
Highways & Transportation	Road and footpath reconstruction and resurfacing; LED street lighting energy efficiency, Greener Grangetown rainwater management scheme; public transport and road safety improvements; cycling strategy implementation and cycle new hire scheme; investment in safe routes in communities.	16.2
Leisure Facilities & Parks	Investment in leisure sites retained by the Council as well as sites operated by external partner; parks play equipment replacement and infrastructure improvements.	3.8
City Development & Major Projects	Public realm improvements at Central Square and pre development costs towards central square and new transport interchange; Alexandra Head events area infrastructure.	11.5
City Deal	Contribution towards first project of Cardiff Capital Region City Deal – Semiconductor facility. This is part of the Council commitment of £28.4 million towards the £120 million Investment Fund.	5.7
Other	Modernising ICT to improve business process; Energy efficiency measures in Council buildings; harbour asset renewal; completion of new Lamby Way Household Waste Recycling Centre; day centre improvements; new facilities to support service delivery for children.	7.3
Public Housing	Investment and improvement of current housing stock and the creation of new housing through the delivery of the Cardiff Living Programme.	24.8

Funding of Capital Expenditure



Treasury Management:

The Council follows the CIPFA Treasury Management Code of Practice. At 31 March 2018, investments of £59m are deposited for various maturities with Financial Institutions and borrowing totals £693.3 million.

Borrowing 31 March 2018

	Principal (£m)
Public Works Loan Board	631.8
Market and Other	61.5
Total Fixed Debt	693.3

The information contained in this summary is from the 2017/18 Statement of Accounts of Cardiff Council. The Accounts are available on the Cardiff Council website www.cardiff.gov.uk.