



DINAS A SIR CAERDYDD
CITY AND COUNTY OF CARDIFF

COUNCIL SUMMONS

THURSDAY, 28 MARCH 2024

GWYS Y CYNGOR

DYDD IAU, 28 MAWRTH 2024,

You are summoned to attend a multi location meeting of the **COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF** which will be held at Council Chamber, County Hall, Atlantic Wharf, Cardiff, CF10 4UW on Thursday, 28 March 2024 at 4.30 pm to transact the business set out in the agenda attached.

D Marles
Interim Monitoring Officer

County Hall
Cardiff
CF10 4UW

Friday, 22 March 2024

Promotion of equality and respect for others | Objectivity and propriety | Selflessness and stewardship
Integrity | Duty to uphold the law | Accountability and openness

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<i>Item</i>		<i>Approx Time</i>	<i>Max Time Allotted</i>
1	Apologies for Absence <i>To receive apologies for absence.</i>	4.30 pm	
2	Declarations of Interest <i>To receive declarations of interest (such declarations to be made in accordance with the Members Code of Conduct)</i>		
3	Minutes (Pages 7 - 22) <i>To approve as a correct record the minutes of the meeting held on the 7 March 2024.</i>		
4	Public Questions <i>To receive previously notified questions from Members of the Public.</i>		
5	Petitions <i>To receive petitions from Elected Members to Council.</i>	4.35 pm	5 mins
6	Lord Mayor's Announcements <i>To receive the Lord Mayor's announcements including Recognitions and Awards.</i>	4.40 pm	5 mins
7	Pay Policy 2024/2025 (Pages 23 - 54) <i>Cabinet Proposal</i>	4.45 pm	15 mins
8	Statement of Accounts 2022/2023 (Pages 55 - 286) <i>Report of the Corporate Director Resources</i>	5.00 pm	15 mins
9	Appointment Of Monitoring Officer (Pages 287 - 288) <i>Report of the Chief Executive</i>	5.15 pm	10 mins
10	Trusts - Governance Arrangements (Pages 289 - 306) <i>Cabinet Proposal</i>	5.25 pm	10 mins

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11	Lord Mayor and Deputy Lord Mayor Elect 2024 - 2025 <i>(Pages 307 - 308)</i> <i>Report of the Interim Monitoring Officer</i>	5.35 pm	10 mins
12	Cabinet Statements <i>(Pages 309 - 360)</i> <i>To receive statements from the Leader and Cabinet Members</i>	5.45 pm	45 mins
Break			
13	Oral Questions <i>To receive oral questions to the Leader, Cabinet Members; Chairs of Committee and/or nominated Members of the Fire Authority.</i>	7.00 pm	80 mins
14	Urgent Business	8.40 pm	
Unopposed Council Business			
15	Committee Membership <i>(Pages 361 - 362)</i> <i>Report of the Interim Monitoring Officer</i>	8.40 pm	5 mins
16	Appointment of Local Authority Governors to School Governing Bodies <i>(Pages 363 - 366)</i> <i>Report of the Interim Monitoring Officer</i>	8.45 pm	5 mins
17	Written Questions <i>In accordance with the Council Procedure Rules, Rule 17(f) Written Questions received for consideration and response will be included as a record in the minutes of the meeting.</i>		

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THE COUNTY COUNCIL OF THE CITY & COUNTY OF CARDIFF

The County Council of the City & County of Cardiff met at County Hall, Cardiff on 7 March 2024 to transact the business set out in the Council summons dated Friday, 1 March 2024.

Present: County Councillor Molik (Lord Mayor)

County Councillors Ahmed, Dilwar Ali, Ash-Edwards, Berman, Boes, Bowen-Thomson, Bradbury, Bridgeman, Brown-Reckless, Burke, Carr, Carter, Chowdhury, Cowan, Cunnah, Davies, De'Ath, Derbyshire, Driscoll, Elsmore, Ferguson-Thorne, Gibson, Goodway, Gunter, Henshaw, Hinchey, Hopkins, Humphreys, Hunt, Jenkins, Jones, Owen Jones, Lancaster, Latif, Lay, Lent, Lewis, Lister, Littlechild, Livesy, Lloyd Jones, Mackie, McEvoy, McGarry, Melbourne, Merry, Michael, Moultrie, Naughton, Owen, Palmer, Jackie Parry, Proctor, Reid-Jones, Robinson, Robson, Sangani, Shimmin, Simmons, Singh, Stubbs, Taylor, Huw Thomas, Thomson, Lynda Thorne, Weaver, Wild, Williams, Wong and Wood

110 : TRIBUTES TO CLLR ABDUL SATTAR

The Lord Mayor led the tributes to Cllr Abudul Sattar:

"I was saddened to hear of the sudden passing of Cllr Abdul Sattar, just three weeks ago today, as I am sure colleagues across the chamber were.

Cllr Sattar was first elected to represent Grangetown in 2017, after being an active member of the community through his local business for almost 25 years. The first Deputy Lord Mayor of Pakistani heritage, Cllr Sattar served on many council committees and supported his residents and customers on a daily basis.

I am sure that Council will join me in sending our prayers to Cllr Sattar's wife, Waheeda, as well as his four daughters and two grandchildren."

A minute's silence was held, after which the leaders of each group and his ward colleagues paid their own tributes.

111 : APOLOGIES FOR ABSENCE

Apologies were received from Cllrs Saleh Ahmed, Ebrahim, Green, Keith Jones, Joyce and Kaaba.

112 : DECLARATIONS OF INTEREST

The following declarations of interest were received in accordance with the Members' Code of Conduct.

The following **PERSONAL** declarations of interest were received in respect of Item 7 – Cardiff Council's Corporate Plan 2024 – 2027

Councillor	Nature of Interest
Cllr Joe Carter	Employment as it relates to environment and transport
Cllr Callum Davies	Employed within the Housing sector
Cllr Neil McEvoy	Employment as it relates to Children's Services and housing disrepair

The following **PERSONAL** declarations of interest were received in respect of Item 8 – Budget Proposals 2024 - 2025

Councillor	Nature of Interest
Cllr Calum Davies	Employed within the Housing sector
Cllr Neil McEvoy	Employment as it relates to Children's Services and housing disrepair
Cllr Jen Burke	Family member employed by Cardiff Council
Cllr Dan Naughton	Family member employed by Cardiff Council
Cllr Dan Naughton	Family member in receipt of a Cardiff Bus pension
Cllr Joe Carter	Family member employed by Cardiff Council
Cllr Joel Williams	Family members employed by Cardiff Council
Cllr Sean Driscoll	Joint leaseholder of a council owned commercial property
Cllr Sean Driscoll	Family member in receipt of Care support
Cllr Peter Bradbury	Family member is a Local Authority School Governor
Cllr Peter Bradbury	Trustee of Caerau and Ely Sports Trust
Cllr Emma Reid-Jones	Family member in receipt of Care support
Cllr Jayne Cowan	Paid Carer
Cllr Lister	Family member is currently being assessed for care support

The following **PERSONAL** declarations of interest were received in respect of Item 8 – Budget Proposals 2024 – 2025 on the basis that Elected Members were Members of the Cardiff & Vale Pension Fund

Cllr Ali Ahmed	Cllr Neil McEvoy
Cllr Mike Ash-Edwards	Cllr Siân-Elin Melbourne
Cllr Rodney Berman	Cllr Sarah Merry
Cllr Claudia Boes	Cllr Michael Michael
Cllr Kate Carr	Cllr Dan Naughton
Cllr Jasmine Chowdhury	Cllr Oliver Owen
Cllr Jayne Cowan	Cllr Marc Palmer
Cllr Calum Davies	Cllr Bethan Proctor
Cllr Dan De'Ath	Cllr Catriona Brown Reckless
Cllr Sean Driscoll	Cllr Emma Reid-Jones
Cllr Susan Elsmore	Cllr Sara Robinson
Cllr Grace Ferguson-Thorne	Cllr Adrian Robson
Cllr Andrea Gibson	Cllr Kanaya Sing
Cllr Russell Goodway	Cllr Rhys Taylor
Cllr Jacqueline Jones	Cllr Huw Thomas
Cllr Imran Latif	Cllr Leonora Thomson
Cllr Chris Lay	Cllr Daniel Waldron
Cllr Margaret Lewis	Cllr Chris Weaver

Cllr Peter Littlechild	Cllr Caro Wild
Cllr Rhys Livesy	Cllr Joel Williams
Cllr Norma Mackie	Cllr Ashley Wood

The following **PERSONAL** declarations of interest were received in respect of Item 8 – Budget Proposals 2024 – 2025 on the basis that Elected Members were Local Authority School Governors

Cllr Ali Ahmed	Cllr John Lancaster
Cllr Dilwar Ali	Cllr Ash Lister
Cllr Mike Ash-Edwards	Cllr Helen Lloyd Jones
Cllr Rodney Berman	Cllr Norma Mackie
Cllr Peter Bradbury	Cllr Mary McGarry
Cllr Joe Carter	Cllr Siân-Elin Melbourne
Cllr Jasmine Chowdhury	Cllr Jess Moultrie
Cllr Jayne Cowan	Cllr Bethan Proctor
Cllr Stephen Cunnah	Cllr Emma Reid-Jones
Cllr Dan De'Ath	Cllr Julie Sangani
Cllr Bob Derbyshire	Cllr Jon Shimmin
Cllr Sean Driscoll	Cllr Kanaya Singh
Cllr Susan Elsmore	Cllr Ed Stubbs
Cllr Grace Ferguson-Thorne	Cllr Rhys Taylor
Cllr Russell Goodway	Cllr Huw Thomas
Cllr Jane Henshaw	Cllr Leo Thomson
Cllr Graham Hinchey	Cllr Lynda Thorne
Cllr Robert Hopkins	Cllr Chris Weaver
Cllr Irene Humphreys	Cllr Caro Wild
Cllr Garry Hunt	Cllr Joel Williams
Cllr Owen Jones	Cllr Peter Wong

The following **PERSONAL** declarations of interest were received in respect of Item 8 – Budget Proposals 2024 – 2025 as Elected Members were members on the following Community Councils, Joint Committee and Boards

Councillor	Reason for Interest
Cllr Helen Lloyd Jones	Radyr & Morganstown Community Councillor
Cllr Margaret Lewis	Glamorgan Archives Joint Committee
Cllr Norma Mackie	Glamorgan Archives Joint Committee
Cllr Adrian Robson	Glamorgan Archives Joint Committee
Cllr Jon Shimmin	Glamorgan Archives Joint Committee
Cllr Russell Goodway	Cardiff Airport Consultative Committee
Cllr Dan De'Ath	Cardiff Airport Consultative Committee
Cllr Jen Burke	Cardiff Bay Advisory Committee
Cllr Margaret Lewis	Cardiff Bay Advisory Committee
Cllr Huw Thomas	Cardiff Capital Region City Deal – Regional Cabinet
Cllr Dan De'Ath	Cardiff Capital Region City Deal – Regional Transport Authority
Cllr Sarah Merry	Central South Consortium Joint Education Service Joint Committee

Cllr Caro Wild	Prosiect Gwyrdd Joint Committee
Cllr Chris Weaver	Prosiect Gwyrdd Joint Committee
Cllr Chris Weaver	Wales Pension Partnership Joint Governance Committee
Cllr Calum Davies	Non Executive Director, Cardiff Bus
Cllr Garry Hunt	Non Executive Director, Cardiff Bus
Cllr Chris Lay	Non Executive Director, Cardiff Bus
Cllr Rhys Taylor	Non Executive Director, Cardiff Bus
Cllr Sarah Merry	Cardiff & Vale Corporation

The following **PERSONAL & PREJUDICIAL** declarations of interest were received in respect of Item 8 – Budget Proposals 2024 – 2025

Cllr Joel Williams	Member of the Council's private rental leasing scheme
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The following **PERSONAL** declarations of interest were received in respect of Item 9 – Budget Proposals 2024 – 2025

Cllr Joel Williams	Landlord
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113 : MINUTES

The minutes of the 25th January meeting were approved and signed by the Lord Mayor as a correct record.

114 : PUBLIC QUESTIONS

There were two public questions; the question from Mr Paul Rock to Councillor Goodway, Cabinet Member for Investment and Development was deferred until the next meeting of Council due to technical difficulties.

Jeremy Sparkes to Councillor Merry, Cabinet Member for Education.

In your capacity as Cabinet Member for Education, I'm sure you will be aware of the deeply worrying figures from road safety related experts which show the alarming incidence of death and serious injury to schoolchildren in Wales, and that Cardiff has the worst record. You will, I'm sure, share the great concern of the people of Cardiff about these figures, and also about the increasing levels of traffic pollution near schools.

Please can you set out the role the education department plays in evaluating schemes proposed by other parts of the council that directly or indirectly impact traffic flows, volumes of motor traffic and speeds in and around schools, and confirm that your department has the remit to stipulate alterations to such schemes where the school leadership has set out reasonable grounds for concern?

Reply – Cllr Merry

Thank you for your question. Road safety, particularly the safety of children and young people, is something that we take very seriously and something that we monitor closely. I must say that we are not aware of any data which suggests that Cardiff has the worst record for deaths and serious injuries to schoolchildren in Wales. In fact, Welsh government data makes it clear that Cardiff did not have the highest incidence of school-aged children killed or seriously injured on our roads in any of the last five years. In 2015, 11 young people aged 0-15 were unfortunately seriously injured or killed in Cardiff, but in 2022 that figure fell to 2, one of the lowest in Wales.

We do, however, continue to take the issue extremely seriously, which is why making streets safer for our local residents is a priority for this administration. As you will know, we have pioneered the implementation of 20mph zones within residential areas of the city in the last ten years. We have led the way in Wales in promoting active travel through the development and implementation of school active travel plans, and we have also implemented a range of projects such as School Streets, providing schools with bike fleets, increased cycle and scooter parking, and delivered highway engineering measures to improve road safety and facilitate active travel journeys to and from school. These measures are in addition to road safety programs such as cycle and pedestrian training delivered by the council's Road Safety team.

Being a child friendly city means that children and young people are at the heart of policymaking in Cardiff and will continue to do so. We will continue to do what is needed to make our streets and our communities even safer. I can also confirm that officers from the council's education and lifelong directorate, together with headteachers, teaching staff and school health and safety officers, work very closely with transport officers, and in particular the active travel schools team, to identify and deliver interventions in and around schools to support active travel and road safety. The joint working arrangement and channels of communication between the council's education and transport teams on policy matters and projects are well-established and provide every opportunity for discussion and comment on the transport implications of any education proposals and vice versa.

Supplementary question – Jeremy Sparkes

I am surprised Cllr Merry, as I did send you the data several months back. This included that an EU-funded citizen data project has found over half a million cars, vans and lorries using Blenheim Road in Penylan, the very road where Marlborough Primary School is located. As you know, the council is proposing to increase this traffic by 15-20%, simply to save motorists 20-30 seconds' wait at the traffic lights by Penylan Library.

You mentioned UNICEF, and they make clear that a child friendly city requires a flexible management approach. Will you please confirm in this public forum that you fully back the request of Marlborough School governors for Cllr De'Ath, who is responsible for this area of work, to be flexible, scrap this element of the scheme, so that the lives and safety of our children can continue to be paramount to this council's priorities and planning?

Reply – Cllr Merry

Survey data indicates that very few vehicles currently make the manoeuvre from Marlborough Road onto Penylan Road, therefore the number of vehicles that might take an alternative route through Plasnewydd and Penylan following completion of the current works is also likely to be minimal. Monitoring surveys undertaken last month as well as on-site observation and updated traffic modelling have confirmed that traffic levels are comparable to the outcome of the modelling work that was undertaken previously.

What I would also like to underline, of course, is that you referred to the child friendly city element. One of the issues that is brought up by more children than ever, whenever I go out to schools, is around the environment. It's about safe active travel, about being able to cycle safely around the city, and it's about being able to walk safely around the city. I also had a very moving email from a parent at Marlborough Primary who specifically referred to the dangers that the current arrangement at that junction actually present to the children, and therefore any consideration about the impact on children and young people must be taken in the entirety of the proposal.

115 : PETITIONS

Cllr Rodney Berman presented a petition which contained 872 signatures opposing cuts to waste and cleansing services.

116 : LORD MAYOR'S ANNOUNCEMENTS

The Lord Mayor made the following announcements:

- The theme of International Women's Day 2024
- Throughout her term of office, she had made every effort to open the mayoral office to the diverse communities of Cardiff, engage with young people and elders, people from all walks of life, abilities, gender and religion. She hoped that engagement with the citizens of Cardiff would be kept as broad as possible for all first citizens in the future too.
- She referenced a monument in Grangemoor Park which replicated the Shohid Minar (Martyr Tower) in Bangladesh. That monument symbolised the sacrifice of students who were killed during the Bengali Language Movement demonstrations of 1952, a key event leading to the independence of Bangladesh in 1971. She wanted to share this piece of history as the first Lord Mayor of Bangladeshi origin. The Lord Mayor thanked Cllr Dilwar Ali for arranging the event at the monument.
- International Mother Language Day and its theme of this year '*Multilingual education is a pillar of intergenerational learning*' and it had been fantastic to have young people from Welsh and English medium primary schools at the celebratory event at the monument this year performing songs and poetry in English and Welsh. She thanked Cllr Dilwar Ali for arranging the event at the monument.

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- The flag raising for Commonwealth Day would take place at Mansion House on 11th March, all Members were invited.
- Ramadan would begin on 10th-11th March, the ninth and most holy month of the Islamic calendar. Followers of Islam would be fasting from sunlight to sunset every day for a month as a means of drawing closer to God and cultivating self-control, gratitude, and compassion for those less fortunate. The next Council meeting on 28th March would take place during Ramadan, Councillors were invited to join her in fasting for the day and to break the fast during the meeting, perhaps sponsored to raise funds for her chosen charity UCAN Productions.
- Cllr Michael Michael had organised a fundraising darts evening for UCAN Productions at 6:30pm on 23rd March, and welcomed support for this.

The Lord Mayor referred to the sad passing of former Councillors Neil Salmon and David English and Ieuan Edwards who had served as the County Librarian for a number of years, and sent her condolences to the families.

117 : CARDIFF COUNCIL'S CORPORATE PLAN 2024 - 2027

The Council was requested to consider and approve the Corporate Plan 2024-2027.

The Lord Mayor invited the Leader, Cllr Thomas to propose the Corporate Plan. This was seconded by Councillor Merry.

There were two amendments; the Lord Mayor invited Cllr Lancaster to move the first amendment, this was seconded by Councillor Reid-Jones.

The first amendment was as follows:

Delete the current wording for the recommendations in the Cabinet Proposal and replace with:

“This Council is recommended to defer consideration of the Corporate Plan until a future council meeting to enable the Cabinet to bring forward a revised plan in the interim which contains sufficient proposals to include:

- KPI's: By ensuring all sections in the plan have measurable KPI's, including timescales, detailing the effectiveness of delivery and value for money to the public;
- Transparency: by including the last three years performance against targets set;
- Stronger, Fairer Greener: By ensuring all plan sections KPIs clearly outline how they make our City stronger, fairer, and greener (reviewed annually).”

The Lord Mayor invited Cllr Berman to move the second amendment, which was seconded by Cllr Carter

The second amendment was as follows:

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Delete recommendations and replace with:

“Council is concerned that the Corporate Plan as drafted does not sufficiently meet many of the key challenges the city faces, and recommends that it is referred back to Cabinet to be strengthened through the inclusion of:

- Clear measures outlining a strategy to reduce the number of schools having to set deficit budgets in the short- to medium-term;
- Greater reflection of the needs and desires of Cardiff residents, taking on board the concerns raised by the cross-party and cross-committee scrutiny performance panel about the lack of consideration of citizen voice, thereby ensuring a stronger link between citizen feedback and views with performance assessment and target setting;
- A more complete set of KPIs, basing them where necessary on Q3 outturns, rather than leaving many of them not currently specified and only to be agreed following the end of the 2023-24 financial year.”

The Lord Mayor invited debate on the Corporate Plan and the amendments. The Leader confirmed the amendments were not accepted.

The Lord Mayor called for a vote on the first amendment as proposed by Cllr Lancaster and seconded by Cllr Reid-Jones.

The vote on the first amendment was LOST.

FOR (22)

Councillors Berman, Brown-Reckless, Carter, Cowan, Davies, Driscoll, Gibson, Hopkins, Lancaster, Latif, Littlechild, Livesy, McEvoy, Melbourne, Naughton, Owen, Reid-Jones, Robson, Shimmin, Taylor, Williams and Wood

AGAINST (48)

Councillors Ali Ahmed, Ali, Ash-Edwards, Boes, Bowen-Thomson, Bradbury, Bridgeman, Burke, Carr, Chowdhury, Cunnah, De'Ath, Derbyshire, Elsmore, Ferguson-Thorne, Goodway, Gunter, Henshaw, Hinchey, Humphreys, Hunt, Jenkins, Lloyd Jones, Jackie Jones, Owen Jones, Lay, Lent, Lewis, Lister, Mackie, McGarry, Merry, Michael, Moultrie, Palmer, Parry, Proctor, Robinson, Sangani, Simmons, Singh, Stubbs, Thomas, Thomson, Thorne, Weaver, Wild and Wong

There were no abstentions.

The Lord Mayor called for a vote on the second amendment as proposed by Cllr Berman and seconded by Cllr Carter.

The vote on the second amendment was LOST.

FOR (22)

Councillors Berman, Brown-Reckless, Carter, Cowan, Davies, Driscoll, Gibson, Hopkins, Lancaster, Latif, Littlechild, Livesy, McEvoy, Melbourne, Naughton, Owen, Reid-Jones, Robson, Shimmin, Taylor, Williams and Wood

AGAINST (48)

Councillors Ali Ahmed, Ali, Ash-Edwards, Boes, Bowen-Thomson, Bradbury, Bridgeman, Burke, Carr, Chowdhury, Cunnah, De'Ath, Derbyshire, Elsmore, Ferguson-Thorne, Goodway, Gunter, Henshaw, Hinchey, Humphreys, Hunt, Jenkins, Lloyd Jones, Jackie Jones, Owen Jones, Lay, Lent, Lewis, Lister, Mackie, McGarry, Merry, Michael, Moultrie, Palmer, Parry, Proctor, Robinson, Sangani, Simmons, Singh, Stubbs, Thomas, Thomson, Thorne, Weaver, Wild and Wong

There were no abstentions.

The Lord Mayor called for a vote on the recommendations in the report as proposed by Cllr Thomas.

The vote on the recommendations in the report was CARRIED.

FOR (50)

Councillors Ali Ahmed, Ali, Ash-Edwards, Boes, Bowen-Thomson, Bradbury, Bridgeman, Burke, Carr, Chowdhury, Cunnah, De'Ath, Derbyshire, Elsmore, Ferguson-Thorne, Gibson, Goodway, Gunter, Henshaw, Hinchey, Humphreys, Hunt, Jenkins, Lloyd Jones, Jackie Jones, Owen Jones, Lay, Lent, Lewis, Lister, Livesy, Mackie, McGarry, Merry, Michael, Moultrie, Palmer, Parry, Proctor, Robinson, Sangani, Simmons, Singh, Stubbs, Thomas, Thomson, Thorne, Weaver, Wild and Wong

AGAINST (12)

Councillors Brown-Reckless, Cowan, Davies, Driscoll, Lancaster, Littlechild, McEvoy, Melbourne, Owen, Reid-Jones, Robson and Williams

ABSTAIN (8)

Councillors Berman, Carter, Hopkins, Latif, Naughton, Shimmin, Taylor and Wood

RESOLVED: Council AGREED to:

1. Approve the draft Corporate Plan 2024-27;
2. Delegate authority to the Chief Executive, in consultation with the Leader of the Council, to make any minor amendments as necessary to the Corporate Plan 2024-27 following consideration by the Council on 7 March 2024 and prior to publication by 1 April 2024.

118 : BUDGET PROPOSALS 2024 - 2025

The Council was requested to consider and approve the Cabinet Budget Proposals for 2024-2025.

Two alternative budget proposals had been received in accordance with the Council Procedure Rules, including Statutory Officer advice, and had been circulated as part of the Amendment Sheet.

The Lord Mayor advised Council that Appendix 4(b) to this report was exempt information under Schedule 12A of Part 4 and Part 5 of the Local Government Act

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1972, and that should any Member indicate that they wish to discuss any of the information contained in those documents, those speakers would be taken last as the public would have to be excluded for that discussion and the recording stopped.

The Lord Mayor invited Cllr Weaver, Cabinet Member for Finance, Modernisation & Performance, to propose the report, which was seconded by Cllr Thomas.

The Lord Mayor invited the proposer and seconder of each of the of the alternative budgets to move their proposals.

Cllr Davies proposed the Conservative amendment, which was seconded by Cllr Lancaster.

Cllr Carter proposed the Liberal Democrat amendment, which was seconded by Cllr Berman.

The Lord Mayor invited debate on the Budget Proposals.

The Lord Mayor thanked Members for their contribution to the debate and invited Cllr Weaver to respond to the matters raised.

Cllr Weaver confirmed that neither of the amendments would be accepted.

The Lord Mayor called for a vote on the Conservative amendments as proposed by Cllr Davies and seconded by Cllr Lancaster. The vote was LOST.

FOR (11)

Councillors Brown-Reckless, Cowan, Davies, Driscoll, Lancaster, Littlechild, Melbourne, Owen, Reid-Jones, Robson and Williams

AGAINST (55)

Councillors Ali Ahmed, Ali, Ash-Edwards, Berman, Bowen-Thomson, Bradbury, Bridgeman, Burke, Carr, Carter, Chowdhury, Cunnah, De'Ath, Derbyshire, Elsmore, Ferguson-Thorne, Gibson, Goodway, Gunter, Henshaw, Hinchey, Hopkins, Humphreys, Hunt, Jenkins, Lloyd Jones, Jackie Jones, Owen Jones, Latif, Lay, Lent, Lewis, Lister, Livesy, Mackie, McGarry, Merry, Michael, Moultrie, Naughton, Palmer, Proctor, Robinson, Sangani, Shimmin, Simmons, Singh, Stubbs, Taylor, Thomas, Thomson, Thorne, Weaver, Wild, Wong and Wood

There were no abstentions.

The vote on the Liberal Democrat amendment as proposed by Cllr Carter and seconded by Cllr Berman was LOST.

FOR (10)

Councillors Berman, Carter, Gibson, Hopkins, Latif, Livesy, Naughton, Shimmin, Taylor and Wood

AGAINST (58)

Councillors Ali Ahmed, Ali, Ash-Edwards, Bowen-Thomson, Bradbury, Bridgeman, Brown-Reckless, Burke, Carr, Chowdhury, Cowan, Cunnah, Davies, De'Ath, Derbyshire, Driscoll, Elsmore, Ferguson-Thorne, Goodway, Gunter, Henshaw, Hinchey, Humphreys, Hunt, Jenkins, Lloyd Jones, Jackie Jones, Owen Jones, Lancaster, Lay, Lent, Lewis, Lister, Littlechild, Mackie, McGarry, Melbourne, Merry, Michael, Moultrie, Owen, Palmer, Parry, Proctor, Reid-Jones, Robinson, Robson, Sangani, Simmons, Singh, Stubbs, Thomas, Thomson, Thorne, Weaver, Wild, Williams and Wong

There were no abstentions.

The vote on the recommendations proposed in the report by Cllr Weaver and seconded by Cllr Thomas was CARRIED.

FOR (47)

Councillors Ali Ahmed, Ali, Ash-Edwards, Bowen-Thomson, Bradbury, Bridgeman, Burke, Carr, Chowdhury, Cunnah, De'Ath, Derbyshire, Elsmore, Ferguson-Thorne, Goodway, Gunter, Henshaw, Hinchey, Humphreys, Hunt, Jenkins, Lloyd Jones, Jackie Jones, Owen Jones, Lay, Lent, Lewis, Lister, Mackie, McGarry, Merry, Michael, Moultrie, Palmer, Parry, Proctor, Robinson, Sangani, Simmons, Singh, Stubbs, Thomas, Thomson, Thorne, Weaver, Wild and Wong

AGAINST (11)

Councillors Brown-Reckless, Cowan, Davies, Driscoll, Lancaster, Littlechild, Melbourne, Owen, Reid-Jones, Robson and Williams

ABSTAIN (10)

Councillors Berman, Carter, Gibson, Hopkins, Latif, Livesy, Naughton, Shimmin, Taylor and Wood

RESOLVED: Council AGREED to:

- 1 Approve the Revenue, Capital and Housing Revenue Account budgets including all associated proposals and assumptions as set out in this report and increasing the Council Tax by 6.0% and that the Council resolve the following terms;
- 2 Note that at its meeting on 14 December 2023 Cabinet calculated the following amounts for the year 2024/25 in accordance with the regulations made under Section 33(5) of the Local Government Finance Act 1992:
 - a) 151,372 being the amount calculated in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1995, as amended, as its Council Tax base for the year.

Lisvane	3,068
Pentyrch	3,709
Radyr	4,090

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12

St Fagans	2,006
Old St Mellons	2,512
Tongwynlais	830

being the amounts calculated in accordance with Regulation 6 of the Regulations as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which special items relate.

2.1 Agree that the following amounts be now calculated by the County Council of the City and County of Cardiff for the year 2024/25 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:-

- a) Aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (d) (including Community Council precepts totalling £568,735):
£1,326,949,735
- b) Aggregate of the amounts which the Council estimates for items set out in Section 32(3)(a) and (c):
£480,997,000
- c) Amount by which the aggregate at 2.1(a) above exceeds the aggregate at 2.1(b) above calculated in accordance with Section 32(4) as the budget requirement for the year:
£845,952,735
- d) Aggregate of the sums which the Council estimates will be payable for the year into its Council Fund in respect of Revenue Support Grant, its council tax reduction scheme, redistributed Non-Domestic Rates:
£623,157,566
- e) The amount at 2.1(c) above less the amount at 2.1(d) (net of the amount for discretionary relief of £400,000), all divided by the amount at 2.0(a) above, calculated in accordance with Section 33(1) as the basic amount of Council Tax for the year:
£1,474.48
- f) Aggregate amount of all special items referred to in Section 34(1):
£568,735
- g) Amount at 2.1(e) above less the result given by dividing the amount at 2.1(f) above by the amount at 2.0(a) above, in accordance with Section 34(2) of the Act, as the basic amount of Council Tax for the year for dwellings in those parts of the area to which no special items relate:
£1,470.72

h) The amounts given by adding to the amount at 2.1(g)
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above the amounts of special items relating to dwellings in those parts of the Council's area mentioned below, divided in each case by the amount at 2.0(b) above, calculated in accordance with Section 34(3) as the basic amounts of Council Tax for the year for dwellings in those parts of the area to which special items relate.

Lisvane	1,494.35
Pentyrch	1,523.32
Radyr & Morganstown	1,511.13
St Fagans	1,496.49
St Mellons	1,492.72
Tongwynlais	1,505.54

- l) The amounts given by multiplying the amounts at 2.1(g) and 2.1(h) above by the number which in the proportion set out in the Council Tax (Valuation Bands) (Wales) Order 2003 is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D calculated in accordance with Section 36(1) of the Act as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Area	A £	B £	C £	D £	E £	F £	G £	H £	I £
Lisvane	996.23	1,162.27	1,328.31	1,494.35	1,826.43	2,158.50	2,490.58	2,988.70	3,486.82
Pentyrch	1,015.55	1,184.80	1,354.07	1,523.32	1,861.84	2,200.35	2,538.87	3,046.64	3,554.41
Radyr	1,007.42	1,175.32	1,343.23	1,511.13	1,846.94	2,182.74	2,518.55	3,022.26	3,525.97
St. Fagans Old St.	997.66	1,163.93	1,330.22	1,496.49	1,829.05	2,161.59	2,494.15	2,992.98	3,491.81
Mellons	995.15	1,161.00	1,326.87	1,492.72	1,824.44	2,156.15	2,487.87	2,985.44	3,483.01
Tongwynlais	1,003.69	1,170.97	1,338.26	1,505.54	1,840.11	2,174.67	2,509.23	3,011.08	3,512.93
All other parts of the Council's Area	980.48	1,143.89	1,307.31	1,470.72	1,797.55	2,124.37	2,451.20	2,941.44	3,431.68

- 2.2 Note that for the year 2024/25, the Police and Crime Commissioner for South Wales has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwelling shown below:-

VALUATION BANDS								
A	B	C	D	E	F	G	H	I
£	£	£	£	£	£	£	£	£
235.11	274.30	313.48	352.67	431.04	509.41	587.78	705.34	822.90

- 2.3 Having calculated the aggregate in each case of the amounts at 2.1(i) and 2.2 above, the County Council of the City and County of Cardiff in accordance with Section 30(2) of the Local Government Finance Act 1992 hereby sets the following amounts as the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings shown below:-

Part of Council's Area									
VALUATION BANDS									
Area	A	B	C	D	E	F	G	H	I
	£	£	£	£	£	£	£	£	£
Lisvane	1,231.34	1,436.57	1,641.79	1,847.02	2,257.47	2,667.91	3,078.36	3,694.04	4,309.72
Pentyrch	1,250.66	1,459.10	1,667.55	1,875.99	2,292.88	2,709.76	3,126.65	3,751.98	4,377.31
Radyr	1,242.53	1,449.62	1,656.71	1,863.80	2,277.98	2,692.15	3,106.33	3,727.60	4,348.87
St. Fagans Old St.	1,232.77	1,438.23	1,643.70	1,849.16	2,260.09	2,671.00	3,081.93	3,698.32	4,314.71
Mellons	1,230.26	1,435.30	1,640.35	1,845.39	2,255.48	2,665.56	3,075.65	3,690.78	4,305.91
Tongwynlais	1,238.80	1,445.27	1,651.74	1,858.21	2,271.15	2,684.08	3,097.01	3,716.42	4,335.83
All other parts of the Council's Area	1,215.59	1,418.19	1,620.79	1,823.39	2,228.59	2,633.78	3,038.98	3,646.78	4,254.58

- 2.4 Authorise the Corporate Director Resources to make payments under Section 38 of the Local Government (Wales) Act 1994 from the Council Fund by equal instalments on the last working day of each month from April 2024 to March 2025 in respect of the precept levied by the Police and Crime Commissioner for South Wales in the sum of £53,384,363;

- 2.5 Agree that the Common Seal be affixed to the said Council Tax;

- 2.6 Agree that the Common Seal be affixed to precepts for Port Health Expenses for the period 1 April 2024 to 31 March 2025, namely:

County Council of the City and County of Cardiff £155,460
Vale of Glamorgan County Borough Council £17,620

- 2.7 Agree that notices of the making of the said Council Taxes signed by the Chief Executive be given by advertisement in the local press under Section 38(2) of the Local Government Finance Act 1992;

- 3 In accordance with the Local Government Act 2003, the Local Authority (Capital Finance and Accounting) (Wales) Regulations 2003 and subsequent amendments and the CIPFA Prudential Code and Treasury Management Codes of Practice:

- (a) Approve the Capital Strategy 2024/25
- (b) Approve the Treasury Management Strategy 2024/25 and authorise the Section 151 Officer to raise such funds as may be required to finance capital expenditure by temporary or long-term borrowing
- (c) Approve the Prudential Indicators for 2024/25 – 2028/29

- (d) including the affordable borrowing limit
Delegate to the Section 151 Officer the ability to effect movement between the limits for borrowing and long-term liabilities, within the limit for any year, and to bring forward or delay schemes in the Capital Programme
- (e) Approve the Minimum Revenue Provision Policy for 2024/25

4 To approve the Budgetary Framework outlined in this report;

5 To maintain the current Council Tax Reduction Scheme as set out in this report.

119 : COUNCIL TAX PREMIUMS

Council was requested to consider and approve the proposal to charge higher amounts of Council Tax (Premiums) on long-term empty dwellings provided for by the Housing (Wales) Act 2014.

The Lord Mayor called upon Cllr Weaver, Cabinet Member for Finance, Modernisation & Performance to move the report. The report was formally seconded by Cllr Thorne.

The Lord Mayor invited debate on the report.

Cllr Weaver responded to matters raised.

The Lord Mayor called for a vote on the recommendation in the report.

The vote on the recommendation was CARRIED.

FOR (55)

Councillors Ali Ahmed, Ali, Ash-Edwards, Berman, Bowen-Thomson, Bradbury, Bridgeman, Burke, Carr, Carter, Chowdhury, Cunnah, Derbyshire, Elsmore, Ferguson-Thorne, Gibson, Goodway, Gunter, Henshaw, Hinchey, Hopkins, Humphreys, Hunt, Jenkins, Lloyd Jones, Owen Jones, Latif, Lay, Lent, Lewis, Lister, Livesy, Mackie, McGarry, Merry, Michael, Moultrie, Naughton, Palmer, Parry, Proctor, Robinson, Sangani, Shimmin, Simmons, Singh, Stubbs, Taylor, Thomas, Thomson, Thorne, Weaver, Wild, Wong and Wood

AGAINST (12)

Councillors Brown-Reckless, Cowan, Davies, Driscoll, Lancaster, Littlechild, McEvoy, Melbourne, Owen, Reid-Jones, Robson and Williams

There were no abstentions.

RESOLVED: Council AGREED to:

Increase the premium charge of 100% on long-term empty dwellings to 200% for dwellings that have been unoccupied and substantially unfurnished for more than 24 months, and to 300% for dwellings that

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have been unoccupied and substantially unfurnished for more than 36 months, with effect from 1st April 2024.

120 : URGENT BUSINESS

There was no urgent business.

121 : COMMITTEE MEMBERSHIP

Council was requested to receive nominations and make appointments to current committee vacancies as set out in the report and in accordance with the approved allocation of seats and political group wishes.

RESOLVED: Council AGREED to:

Receive a nomination and appoint to the vacancy on the Committee, in accordance with the Party Group wishes, as set out in Table A in the report.

122 : APPOINTMENT OF MEMBERS TO SERVE ON OUTSIDE BODIES

To receive nominations and make appointments of Members to outside bodies to fill vacancies which have arisen.

RESOLVED: Council AGREED to:

Approve the nomination and appoint to outside bodies as set out in Table A in the report.

**CYNGOR CAERDYDD
CARDIFF COUNCIL****COUNCIL****28 MARCH 2024**

CABINET PROPOSAL**PAY POLICY 2024/2025****Reason for this Report**

1. To ask Cabinet to review the Pay Policy Statement for 2024/25 and recommend to Council for approval in accordance with the requirements of the Localism Act 2011.

Background

2. Cardiff Council understands the importance of having a clear written policy on pay for employees. The policy statement provides a framework to ensure that employees are rewarded fairly and objectively without discrimination.
3. The Council also has a statutory requirement under the Localism Act 2011 to prepare a Pay Policy Statement on an annual basis. The first statement was in place by 31st March 2012, and they have been produced annually since then. Agreement (and subsequent publication) of the 2024/25 Pay Policy Statement will ensure continued compliance with this legislation.

Issues

4. Under section 38 of the Localism Act 2011, a relevant authority's pay policy statement must include the authority's policies relating to:
 - the level and elements of remuneration for each chief officer
 - remuneration of chief officers on recruitment
 - increases and additions to remuneration for each chief officer
 - the use of performance-related pay for chief officers
 - the use of bonuses for chief officers
 - the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority; and
 - publication of and access to information relating to remuneration of chief officers.
5. The focus of the legislation is about transparency of pay for Chief Officers and how their pay compares with lower paid employees in the Council.

However, in the interests of transparency and accountability the Council has chosen since 2011 to take a broader approach and produce a Pay Policy Statement (**Appendix 1**) covering all employee groups except for teachers (as the remuneration for this latter group is set by Welsh Government Ministers and therefore not in local authority control). This policy also excludes Members of the Council as they are not employees and are governed by separate legislation via the Independent Remuneration Panel for Wales.

Voluntary Redundancy Scheme

6. The legislation also requires the Council to provide information about redundancy payments that are made to employees who leave the organisation, and this is set out in the Council's Local Government Pension Scheme Discretions Policy which was agreed by Cabinet on 14th July 2022 and replaced Appendix 1 of the Voluntary Redundancy Policy. The introduction of the Local Government Pension Scheme Discretions Policy was a mandatory requirement but did not result in any change to the Voluntary Redundancy Scheme. There will be no further changes for the 2024/25 financial year.
7. Redundancy payments made under the Policy are calculated with reference to a week's pay up to a maximum of £643.00. Since 13th June 2017, as a result of a ruling by an Employment Appeal Tribunal (EAT) in the case of *University of Sunderland v Drossou*, in June 2017, employers must ensure that a week's pay includes remuneration 'payable by the employer under the contract of employment' and that this value should not be limited by what the employee directly receives. The rationale offered by the EAT was that employer's pension contributions formed part of the overall package of 'remuneration' offered to an employee in return for their services. The result of this is that where appropriate, the employer's pension contributions are included in the calculation of an employee's weekly pay, subject to the maximum weekly rate, and updated on an annual basis.

Chief Officer Pay

8. The Standing Orders (Wales) Amendment Regulations 2014 introduced a requirement that: "*The relevant authority must determine the level, and any change in the level, of the remuneration to be paid to a Chief Officer*". The impact of this amendment was that *all* changes to Chief Officer pay had to be voted on by full Council, not just those which are determined locally. This included any pay rises which had been nationally negotiated by the JNC for Chief Officers and that they could not be paid, unless and until, they had been agreed by full Council.
9. As Chief Officers of this authority are employed under JNC terms and conditions which are incorporated into their contracts of employment, they are contractually entitled to any JNC pay rises. A decision to withhold payment (unless preceded by action to effect appropriate changes to contracts) could result in claims against the authority of 'unlawful deduction from wages' or 'breach of contract'.

10. Taking account of the contractual obligations, and the potential time delays resulting from local determination to pay JNC nationally agreed pay rises, the WLGA pursued the matter with Welsh Government on behalf of local authority employers. As a result, it was agreed that the requirement for full Council to determine nationally agreed contractually entitled pay rises for Chief Officers could be met by full Council voting on an appropriate resolution to insert a suitable clause in their Pay Policy Statements to cover this issue.
11. As a result, in agreeing the 2015/16 Pay Policy Statement, Council resolved that the authority's Pay Policy Statement, from 2015/16 onwards, would include the following paragraph:

The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of same is determined on this basis. Chief Officers employed under JNC terms and conditions are contractually entitled to any national JNC pay rises. This Council will therefore pay these nationally agreed pay awards as and when determined unless full Council decides otherwise.
12. Should the Council at any time decide that it does not wish to implement nationally negotiated JNC pay increases then that would need to be a decision of Full Council, and the Pay Policy Statement would need to be amended to reflect that decision.
13. This report recommends that the resolution continues to be applied provided that such pay increases are in line with those accounted for in the Budget set and agreed by Council on 7th March 2024. Any additional financial implications arising from the national pay agreements determined after this date that cannot be met within the Council's Revenue Budget will be referred to Council for consideration and decision.

Local Government Services Pay Award 2024

14. The NJC pay agreement effective from 1st April 2024 will be implemented once agreed by the national employers. Until then the Council will continue to apply the NJC 2023 pay agreement in line with those accounted for in the Budget set and agreed by Council on 7th March 2024. Any additional financial implications arising from the national pay agreements determined after this date that cannot be met within the Council's Revenue Budget will be referred to Council for consideration and decision.

Gender Pay Gap

15. The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, which relate to public sector employers in England and Wales, requires the publication of gender pay gap data based on a 'snapshot' date of 31st March.
16. Since the publication of the regulations it has been clarified that local authorities in Wales are not covered by the requirement to formally publish

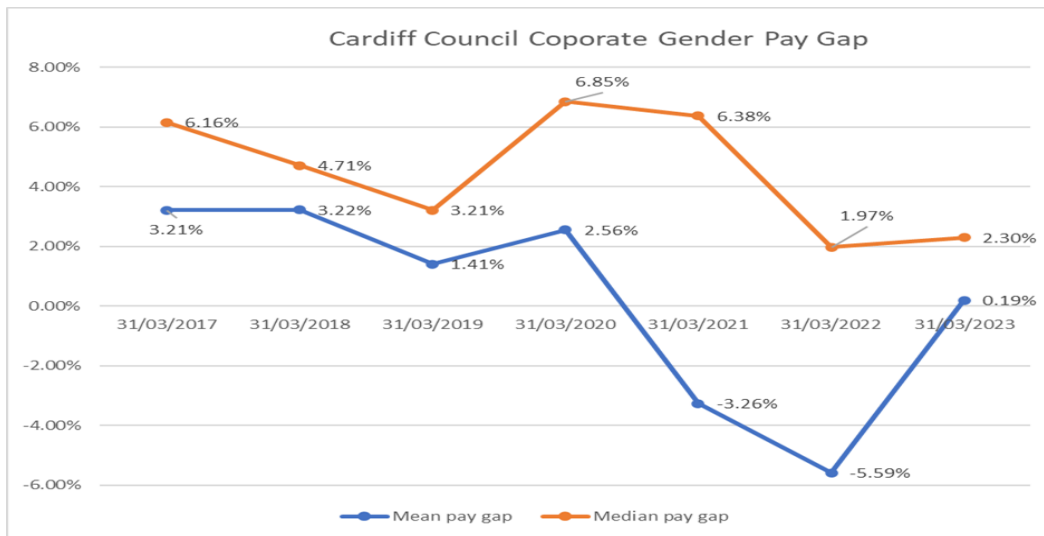
a Gender Pay Gap report, but instead must manage gender pay differences.

17. With more public sector employers being required to report on their Gender Pay Gap, and in line with the Council's commitment to fairness and transparency, it is proposed that the Council continues to voluntarily publish its Gender Pay Gap report as part of the annual Pay Policy Statement, to be published by 31st March 2024.
18. The Council's Job Evaluation Scheme using the Greater London Provincial Council's Job Evaluation (GLPC) Scheme is used to determine the Grades of posts and ensures that men and women receive equal pay for work of equal value.
19. The Pay Policy Statement reports a change in the Gender Pay Gap from 2022 to 2023. The following table highlights the actual monetary change in pay between the two years:

	31.3.2022 Mean Hourly Rate	31.3.2022 Median Hourly Rate	31.3.2023 Mean Hourly Rate	31.3.2023 Median Hourly Rate
Male	15.37 Grade 6	13.71 Grade 6	16.11 Grade 6	14.78 Grade 6
Female	16.22 Grade 6	13.44 Grade 6	16.08 Grade 6	14.44 Grade 6
Pay Gap	-5.59% (£+0.85)	1.97% (-£0.27)	0.19% (-£0.03)	2.30% (-£0.34)

20. A positive percentage figure reveals that typically, or overall, employees who are female have lower pay than male employees. According to the national government's Gender Pay Gap information at www.gov.uk, this is likely to be the situation for most employers.
21. For 2023, the mean hourly pay rates for male and female employees remained within Grade 6 of the Council's Pay & Grading Structure.
22. This year the Mean Gender Pay Gap % is a positive figure which means that the mean average for female employees is lower than that for male employees, with a gap of £0.03. This is a change from 2022. Contributing factors to this are a reduction in payments to females compared to males, higher value of allowances paid to men, a reduction of the number of women receiving allowances compared to 2022, a reduction of full-time female employees, and a reduction of female social workers (who would also have been in receipt of market supplement allowances).
23. The graph below demonstrates Cardiff Council's Gender Pay Gap trend between 2017 – 2023. The graph demonstrates that whilst there has been an expected fluctuation in the % gap between years, the gap has remained relatively constant with the overall trend demonstrating that the

gap is narrowing for both mean and median methods of calculation around 0%. A gender pay gap of 0% would demonstrate that pay for males and females is the same; this graph shows the overall positive progress Cardiff Council is making towards that goal.



24. When compared to those Core Cities and local authorities in Wales that have published their Gender Pay Gap, the Council's position compares favourably, however so far, very few have published their data for 31st March 2023.

Non-Guaranteed Working Hours

25. In December 2016 the Welsh Government issued principles and guidance on the appropriate use of non-guaranteed hours arrangements in the devolved public services in Wales. These principles and guidance were developed by the Public Services Staff Commission in social partnership with the Welsh Government's Partnership Council and its sector groups. The Council is committed to the principles determined by Welsh Government which apply to those employees who are employed on a relief, 'casual' or sessional basis. These employees are used in services within the Council where there is either a need to bring in an additional workforce to cover peaks in workload, or where the workload is on a one-off basis, such as Events.

Reason for Recommendations

26. To respond to the legal requirement under the Localism Act 2011 by agreeing the Pay Policy Statement, the publication of which will also provide openness and accountability in how the Council rewards its employees.

Financial Implications

27. The rates of pay and conditions set out in the Pay Policy Statement (Appendix 1) are reflected in the Council's budget for 2024/25.

Legal Implications

28. Under Section 38 of the Localism Act 2011 the Council must prepare a Pay Policy Statement for each financial year before the commencement of that year. The Pay Policy Statement for 2024/25 must therefore be approved by full Council by 31st March 2024.
29. The Act requires the Pay Policy Statement to cover certain specific matters and the Welsh Government has issued statutory Guidance in relation to Pay Policies, to which the Council must have regard: [Pay accountability within local government \[HTML\] | GOV.WALES](#).
30. Legal Services is instructed that the proposed Pay Policy Statement for 2024/2025 meets the requirements of the Act and the Welsh Government Guidance.
31. The Pay Policy Statement must be published in such manner as the Council thinks fit, which must include publication on the Council's website.
32. The Council's pay structures are considered to be compliant with Equalities legislation.

HR Implications

33. The Pay Policy recommendation does not impact on employees across the Council as it merely outlines in one policy, existing and agreed arrangements for pay and remuneration of employees.
34. The trade unions have been consulted on the Pay Policy Statement.

Property Implications

35. There are no further specific property implications in respect of the Council Report Pay Policy 2024/25. Where there are any relevant property management matters, property transactions or valuations required to deliver any proposals, they should be done so in accordance with the Council's Asset Management process and in consultation with Strategic Estates and relevant service areas.

CABINET PROPOSAL

Council is recommended to:

1. confirm that the decision to agree the Pay Policy Statement constitutes agreement to implement the cost of living pay increases determined by the relevant negotiating body effective from 1st April 2024, as

accounted for in the Budget set and agreed by Council on 7th March 2024.

2. determine that any additional financial implications arising from the national pay agreements determined after this date that cannot be met within the Council's Revenue Budget will be referred to Council for consideration and decision.
3. approve the attached Pay Policy Statement (2024/25) Appendix 1.

THE CABINET
22 March 2024

The following appendix is attached:

Appendix 1: Pay Policy Statement 2023/24, together with Appendix 1a

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CARDIFF COUNCIL**PAY POLICY STATEMENT 2024/25****INTRODUCTION**

1. Since 2012 the Council has complied with the statutory requirement under the Localism Act 2011 to prepare a Pay Policy Statement on an annual basis. This Pay Policy Statement covers the period 1st April 2024 to 31st March 2025. It was approved by Council on **DATE OF Agreement** (and subsequent publication) of the 2023/24 Pay Policy Statement ensures continued compliance with legislation.
2. This Pay Policy Statement provides the framework for decision making on pay, and in particular, decision making on senior officer pay within the Council. It complements other information published on the Council's website which is linked at appropriate points in this Pay Policy Statement.
3. Cardiff Council recognises the importance of managing pay fairly and consistently in a way that motivates employees to make a positive contribution to the Council's business of delivering public services and administering local government in the Capital City of Wales.
4. The Council has also been accredited as a Living Wage Employer by the Living Wage Foundation and is committed to ensuring that our lowest paid employees are paid, as a minimum, in accordance with the 'Real' or Voluntary Living Wage, which is calculated annually by the Resolution Foundation and overseen by the Living Wage Commission.
5. The decisions that are taken by the Council regarding pay are crucial to maintaining equality across the organisation. The production of an annual Pay Policy Statement supports this approach and assists in providing both transparency and accountability.

SCOPE

6. In accordance with the requirements of the Localism Act 2011 this Pay Policy Statement covers all aspects of Chief Officer remuneration (including on ceasing to hold office), and that relating to the 'lowest paid' employees in the authority. The relationship between the remuneration for Chief Officer posts and other employee groups employed by the Council is explained.
7. In the interests of transparency and accountability the Council has chosen to take a broader approach than that required by legislation and therefore this Pay Policy Statement covers all employee groups, except for teachers, (as the remuneration for this latter group is set by the Welsh Government and therefore not in local authority control).
8. This Pay Policy Statement does not apply to Members of the Council as they are not employees and are governed by separate legislation and the requirements of the Independent Remuneration Panel for Wales.

KEY PRINCIPLES

9. This Pay Policy Statement aims to ensure that all employees are rewarded fairly and without discrimination for the work that they do. It reflects fairness and equality of opportunity, the need to encourage and enable employees to perform to the best of their ability and the commitment to operate a transparent pay and grading structure.
10. The Council recognises that pay is not the only means of rewarding and supporting employees and offers a wider range of benefits, such as flexible working arrangements, access to learning and development, a Health and Wellbeing Charter and an Employee Assistance Programme.
11. To ensure these principles are embedded the Council will ensure that there are clear and transparent processes for setting and reviewing salaries for all employees, and that there is sufficient flexibility to take into account the pay market and recruitment and retention factors.
12. Any policy statement on pay has to be affordable and support the provision of high-quality public services.

LEGISLATION

13. In determining the pay and remuneration of all its employees, the Council will comply with all relevant legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Agency Workers Regulations 2010 and where relevant the Transfer of Undertakings (Protection of Employment) Regulations 2006.
14. With regard to the Equal Pay requirements of the Equality Act, the Council will ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed Job Evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

DEFINITIONS

15. The Localism Act 2011 sets out the requirements for Pay Policy Statements and as part of this there are certain terms that are used to define different employee groups and in particular senior officers. This section explains these definitions and how they apply in this authority.

Chief Officer

16. The Localism Act 2011 defines 'Chief Officer' as Head of Paid Service, Monitoring Officer, Statutory Chief Officers and Non-Statutory Chief Officers.
17. Cardiff Council's Chief Officers are as follows:
 - Head of Paid Service - Chief Executive
 - Monitoring Officer – Director of Governance & Legal Services
 - Statutory Chief Officers:-
 - Director for Education and Lifelong Learning,
 - Corporate Director for People and Communities who undertakes the role of Director of Social Services
 - Corporate Director Resources who undertakes the role of Section 151 Officer
 - Non-statutory Chief Officers – this refers to non-statutory posts that report directly to the Head of Paid Service
 - Director for Economic Development
 - Director for Planning, Transport and Environment

Deputy Chief Officers

18. The Localism Act 2011 defines 'Deputy Chief Officers' as those officers that report directly to statutory or non-statutory Chief Officers. In Cardiff Council this includes:
 - Director Adult, Housing and Communities
 - Director Children's Services
 - Assistant Director for County Estates
 - Assistant Director for Education and Lifelong Learning
 - Assistant Director for Street Scene
 - Assistant Director for Development and Regeneration
 - Programme Director for School Organisation Planning
 - Head of Service for Finance
 - Head of Performance and Partnerships
 - Head of Democratic Services – statutory role which reports to the Monitoring Officer
 - Chief HR Officer
 - Chief Digital Officer
19. The Council's senior management arrangements include Operational Manager posts. In addition to the posts identified above, there are also some Operational Managers that report directly to statutory or non-statutory Chief Officers (Corporate Director Resources, Directors of Economic Development; Governance and Legal Services; Planning, Transport and Environment) and so for the purposes of this policy these posts are included within the definition of Deputy Chief Officer. Operational Managers are employed on the same terms and conditions as the Council's Chief Officers as indicated in paragraph 30.
20. The Council's senior management arrangements also include the posts of Assistant Director for Adult Services, and Assistant Director of Housing and Communities, that report to a Deputy Chief Officer.

Lowest Paid Employees

21. The Localism Act 2011 requires the Council to define its 'lowest paid employee' within the Pay Policy Statement. Within the Council the lowest paid employees are those appointed on Spinal Column Point (SCP) 1 of the National Joint Council (NJC) for Local Government Services' nationally agreed pay scale. However, to support the Council's lowest paid employees, with effect from 1st September 2012 the Council adopted the Voluntary Living Wage. In practice this means that the pay for the lowest paid employees is kept under review to ensure that either the Voluntary Living Wage hourly rate is paid, or the relevant Spinal Column Point, whichever is the greatest.
22. The Voluntary Living Wage, as announced in September 2023, has risen to £12.00. Based on current rates of pay and changes to the NJC for Local Government Services pay scale effective from 1st April 2023, a Voluntary living Wage Supplement will therefore need to be paid to those employees on SCP 2, and 3 and 4, in 2024/25 until such a time as any pay award is agreed. In accordance with the Council's commitment to the payment of the Voluntary Living Wage this will be further reviewed once the 2025 National Pay Agreement is finalised, and any adjustment implemented.

Pay

23. The Localism Act 2011 defines 'pay' remuneration as 'salary, bonuses, charges, fees or allowances payable, any benefits in kind, increase or enhancement of pension entitlement. This definition is applied in this Pay Policy Statement.

ROLE OF THE CHIEF EXECUTIVE

24. The Chief Executive fulfils the statutory role of Head of Paid Service as defined by the Localism Act 2011. The Local Government and Elections (Wales) Act 2021, Section 54 makes provision to codify the role of the Chief Executive in a principal council (county and county borough councils), including, but not exclusively, the functions currently undertaken by the head of paid service as designated under section 4 of the Local Government and Housing Act 1989. As a result, from 5 May 2022, all principal councils are required to appoint a Chief Executive. This replaced the previous requirement to designate an existing officer as head of paid service under section 4 of the Local Government and Housing Act 1989. This requirement did not affect arrangements in Cardiff as the Council already had an appointed Chief Executive.
25. As the most senior officer the Chief Executive is responsible for a wide range of services with a total budget of £804 million (2023/24) and for the employment of 14,151 employees (at 31st December 2023). The services are provided to a total population of 372,100 (rounded to the nearest 100) according to the Office for National Statistics' latest (mid-2022) population estimates. The Council was recorded as having a Council housing

stock of 13948 (January 2024) and in October 2023 there were 56,064 pupils enrolled in our schools.

26. The role of Chief Executive is a full time and permanent appointment. Post holders are selected on merit, against objective criteria, following public advertisement. They are appointment by the Appointments Committee of the Council, comprising elected members.
27. The Chief Executive works closely with elected members to deliver the administration's policy statement – 'Stronger, Fairer, Greener' – a programme setting out the themes that have defined the work of the Council over the past decade, and that are the heart of the Council's work over the next five years.
28. The Chief Executive routinely works outside of the standard Monday to Friday business week. The Chief Executive also heads the Gold Command 'on call' arrangements particularly to cover emergency planning requirements.

PAY DETAILS

Chief Executive

29. The Chief Executive is employed on Joint National Committee for Chief Executives of Local Authorities (JNC for Chief Executives) terms and conditions. The JNC for Chief Executives negotiates on national (UK) annual cost of living pay increases, and any award of the same is determined on this basis. These pay awards are effective from 1st April each year, however they are not normally confirmed in advance of this date.

Chief Officers and Operational Managers

30. Posts at Operational Manager and above are employed on Joint National Committee (JNC) Chief Officer terms and conditions and pay levels for these posts have been evaluated using the Korn Ferry Hay (formerly Hay) Job Evaluation Scheme since 1999.
31. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of same is determined on this basis. These pay awards are effective from 1st April each year, however they are not normally confirmed in advance of this date.

Chief Officer Pay Decisions

32. Although the annual cost of living pay awards, referred to in paragraph 31 above, are part of the nationally agreed terms and conditions, the Council's Constitution Employment Procedure Rules states that any decision to determine or vary the remuneration of Chief Officers (or those to be appointed as Chief Officers) must be made by full Council.

33. Therefore, in accordance with these rules, the Council's decision to agree this Pay Policy Statement constitutes agreement to implement the cost of living pay increases determined by the relevant negotiating body effective from 1st April 2024, as accounted for in the Budget set and agreed by Council on 7th March 2024.
34. Any additional financial implications arising from the national pay agreements determined after this date that cannot be met within the Council's Revenue Budget will be referred to Council for consideration and decision.

Chief Officer and Operational Manager Pay

35. The following table shows the current pay rates for Chief Officers and Operational Managers, as at 1st April 2023:

Post	Salary
Chief Officers – Spot Salary	
Chief Executive	£196,744
Corporate Director for Resources Corporate Director for People and Communities	£150,920
Directors	£139,463
Chief Digital Officer	£112,352
Chief Officers, Assistant Directors	£95,474
Operational Managers – 5 Point Range	
Operational Manager – Level 1	£63,391 - £76,815
Operational Manager – Level 2	£52,241 - £62,691

36. The salary level for Chief Officer and Operational Managers is determined by an independent external evaluation process based on an assessment of relative job sizes and benchmarking against market comparisons for posts of similar size and complexity, using the Korn Ferry (previously Hay) Job Evaluation Scheme.
37. For Chief Officer positions, any report from the external evaluators on grading of new posts or changes to salary levels is presented to the Council's Employment Conditions Committee (ECC) which has the following functions delegated to it under the Council's Constitution:
- (i) *To consider and determine policy and issues arising from the organisation, terms and conditions of Chief Officers and Deputy Chief Officers (as defined in the Local Authorities (Standing Orders) (Wales) Regulations 2006), together with any other category of employee specified in Regulation from time to time where this is necessary, subject to the approval of Council in respect of any determination or variation of the remuneration of Chief Officers.*
 - (ii) *To decide requests for re-grading of Chief Officers and Deputy Chief Officers (as defined in the Local Authorities (Standing Orders) (Wales) Regulations 2006), except*

for Operational Managers deemed to be classed as Deputy Chief Officers, whose applications may be determined under Chief Executive officer delegation within the remuneration framework for Operational Managers, together with any other category of employee specified in Regulation from time to time, whether by way of appeal by an employee against a decision to refuse a re-grading application or to decide applications for re-grading which are supported, subject to the approval of Council in respect of any determination or variation of the remuneration of a Chief Officer.

38. Where an Operational Manager, who falls within the statutory definition of a Deputy Chief Officer, submits a request for regrading, this is dealt with by the Chief Executive under delegated authority, within the remuneration framework for Operational Managers (delegation reference CE8). It has been agreed that any such decisions shall be reported in this Pay Policy Statement for transparency. During 2023/24, the Chief Executive's delegation has been exercised in relation to two Operational Manager (OM) posts which were both originally OM2 and have been regraded and now deemed as OM1 graded posts.
39. In addition to the above, the Independent Remuneration Panel in Wales (IRP) has specific functions concerning the salary of the Chief Executive (Head of Paid Service). Before making a change to the salary of the Chief Executive, which is not commensurate with a change to the salaries of the Council's other employees, the local authority must consult the IRP about the proposed change and have regard to any recommendation received from the IRP when deciding whether or not to proceed with making the change.
40. In the year ending 31st March 2024 the local authority has not had the need to make a referral to the IRP.
41. Since 2009/10, the Council has published pay details for Chief Officer posts on its website. Previous to this, the number of officers at each salary band over £60,000 were set out. The information can be found in the 'Statement of Accounts' which is accessed via the tab 'Your Council' and then the link to 'Council Finance' <https://www.cardiff.gov.uk/ENG/Your-Council/Council-finance/Managing-the-Councils-Finances/Pages/default.aspx>. The Chief Executive pay has been published on the website since 2010.

'National Joint Council (NJC) (Green Book)' and 'Joint National Council (JNC) Craft' Employees

42. The pay grades for all former NJC Green Book and JNC Craft positions within the Council are evaluated using a job evaluation (JE) process using the Greater London Provincial Council (GLPC) scheme. The JE process uses a consistent set of criteria which ensures that the Council's grading structure is fair, transparent, and equitable, and that men and women receive equal pay for work of equal value. The Council has Collective Agreements in place with UNISON, GMB and Unite (NJC Green Book), and GMB, and Unite (JNC Craft) which set out the pay ranges for each grade, and also relevant terms and conditions.
43. The Council's pay and grading structure links the scores from the job evaluation process directly to the NJC pay structure. The national pay structure with effect from 1st April

2023 ranged from spinal column point (SCP) 2 to 40 which equates to £22,366 to £48,474.

44. Cardiff Council has in place a locally agreed pay scale which has 10 grades that span across SCPs 2- 40 of the national pay structure. SCPs 10, 13, 16, 18 and 21 of the national pay structure are not used in Cardiff Council. Overall, the Council's pay scale equates to £22,366 to £48,474, on 1st April 2023. Each grade has a number of incremental points.
45. More information about the GLPC Scheme and the grades of the Council can be found in the Council's Single Status Collective Agreement. The agreed grades and associated salaries at 1st April 2023 can be seen at Annex 1.

Employees other than Chief Officer and previous 'Green Book' and 'Craft' employees

46. The Council also has employees whose pay, terms and conditions are determined by other national agreement, i.e. JNC Youth and Community, Soulbury, and School Teacher terms and conditions. Pay for these employees is based on the relevant nationally agreed rates of pay. Pay rates are included in Annex 1 for information.

Pay Differentials

47. The current pay levels within the Council define the multiple between the lowest paid (full time equivalent) employee (£22,366) and the Chief Executive (£196,744) as 1:9 and between the lowest paid employee (£22,366) and median Chief Officer (£95,474) as 1:4. Cardiff Council pays an allowance to those who earn below the Real Living Wage to ensure all employees earn at least the Real Living Wage. When we include the allowance in these calculations, the multiple between the lowest paid (full time equivalent) employee (£23,152) and the Chief Executive (£196,744) as 1:8, and between the lowest paid employee (£23,152) and the median Chief Officer (£95,474) as 1:4.
48. The multiple between the median full time equivalent earnings (£29,777) and the Chief Executive (£196,744) is [1:7] and; between the median full time equivalent earnings (£29,777) and median Chief Officer (£95,474) is [1:3].
49. The Council does not use performance related pay or bonuses for Chief Officers.

Incremental Progression – all employees

50. Incremental progression for 'Green Book', 'Craft' employees and Operational Managers is not automatic but is dependent upon a successful performance review. Following a successful performance review, increments are normally effective from the 1st April each year. For 'Green Book' and 'Craft' employees, this requirement is detailed in the relevant Single Status Collective Agreement, and for Operational Managers this is contained within their terms and conditions.

Salary on Appointment – all employees

51. Vacancies are advertised on the agreed grade for the post stating the minimum and maximum salary, or spot point, as appropriate to the post. All Chief Officers are appointed to the spot point. Where salary scales are in place appointments are made at the bottom point of the range, but there is discretion to appoint at a higher point within the range. This would usually be to match a candidate's current level of pay, or other particular circumstances.

Market Supplements – all employees

52. It is recognised that there will be exceptional circumstances where the market rate for certain key jobs is higher than that provided for by relevant Council pay and grading structure. In these circumstances, the grading of the post will be reviewed in accordance with the Council's Market Supplement Scheme agreed as part of the Council's Single Status Agreement. The scheme is applicable to all those covered by the Green book, Craft employees, JNC for Chief Officers, JNC for Youth & Community Workers and those on Soulbury terms and conditions. Proposals to pay a Market Supplement must be supported by a fully evidence-based business case and follow the agreed decision making processes of the Council.

ADDITIONAL PAYMENTS

53. Employees employed under the previous 'Green Book' and 'Craft' terms and conditions are paid on the same terms and conditions and pay scales through Single Status. However, a tool allowance has been retained for relevant craft posts.

NJC 'Green Book' and JNC 'Craft' Employees

54. Additional payments are made as detailed in their respective Collective Agreements. The types of additional payments made include overtime and Saturday and Sunday working at time and a half; recalls to work attract a minimum payment of 2 hours payment; public holiday payments; car allowances; motorcycle and bicycle allowances; stand by and call out payments; night /evening /unsocial hours payments; shift work allowance; sleeping in duty payment; first aid allowance; relocation payment and payment for professional subscriptions. To manage ongoing budgetary pressures, in the financial year 2024/25 payments for interview expenses, relocation expenses and professional subscriptions (which are not legal requirements of a post) will not be made. This has consistently been applied since the 2014/15 financial year.

Chief Officers and Operational Managers

55. Additional payments made include car, motorcycle and bicycle allowances which have been harmonised for all Council employees using the single rate based on the HMRC arrangements paid for business mileage, i.e. currently 45p per mile for cars.

56. Interview Expenses and Relocation Assistance – Consistent with a decision applied since the 2014/15 financial year, these payments will not be made for the 2024/25 financial year.
57. Professional Subscriptions – In the financial year 2024/25 these will continue to only be paid by the Council where it is a legal requirement of the post.
58. Returning Officer Fees - The appointment of Electoral Registration Officer is required by S8 Representation of the People Act 1983; and the appointment of Returning Officer is required by S35 Representation of the People Act 1983. At the Council meeting on the 28th February 2019, the Chief Executive was appointed to the roles of Electoral Registration Officer and Returning Officer, with effect from the 3rd April 2019. The roles of Electoral Registration Officer and Returning Officer are part of the job description of the Chief Executive.
59. The Returning Officer fees for parliamentary, Welsh Government, Police and Crime Commissioner Elections and all referenda are set out in statutory fees and charges orders for each election. For these externally sponsored elections, the fee is funded through grant awarded by the Welsh Government in respect of its election, and by Central Government in respect of the other elections. For local elections, the Council must pay the expenditure properly incurred by the Returning Officer in relation to holding the election, for example, for printing of ballot papers and all election stationery and provision of polling stations. The Chief Executive has waived all personal fees associated with the role of Returning Officer.

Election Staff to Assist the Returning Officer

60. The Returning Officer has power to appoint all staff necessary to assist in the discharge of the Returning Officer's duties in respect of holding the elections, including Poll Clerks, Presiding Officers, and Count Staff. For all externally sponsored elections, staff fees must be set in line with the appropriate statutory fees and charges order and are recoverable on that basis. For local elections, staff fees are based on the scale and type of election and are reviewed to take account of inflation and any other pressures, as appropriate. The fees are set and approved by the Returning Officer prior to the election.

HONORARIA AND ACTING UP SCHEMES

61. The Council has schemes for payment where an employee acts up into a post at a higher level of pay (Acting Up Scheme) or where they undertake additional duties at a higher level of responsibility (Honoraria Scheme). These schemes are applicable for all Council employees, excluding teachers, however for the financial year 2024/25 the current Honoraria Scheme will continue to be withdrawn in order to manage an ongoing budgetary pressure.

ANNUAL LEAVE

62. Annual leave entitlements are determined by the terms and conditions of the different employee groups. Entitlements to annual leave are pro rata for part time employees.

Green Book and Craft employees, Chief Executive, Chief Officers and Operational Managers

63. The annual leave entitlement is 28 days, rising to 33 days after 5 years' service, and in addition, there are usually 8 public holidays. This leave entitlement is set out in the Council's Single Status Collective Agreement. Under local agreement this leave entitlement also applies to employees whose pay is negotiated under Craftworkers, Chief Officer pay terms (OMs and above) and the Chief Executive.

Other Employees

64. The annual leave entitlement for JNC Youth & Community is 30 days, rising to 35 days after 5 years' service. The Soulbury entitlement is 25 days rising to 30 days after 5 years' service. In addition, there are usually 8 public holidays and 4 extra statutory days for both groups.

Purchase of Annual Leave

65. The Council has in place an Annual Leave Purchase scheme where employees can purchase up to 10 day's annual leave, which is then payable by monthly deductions during the leave year. In December 2023 121 employees accessed the scheme in the 2023/24 annual leave year, which was an increase of 21 compared to the previous year.

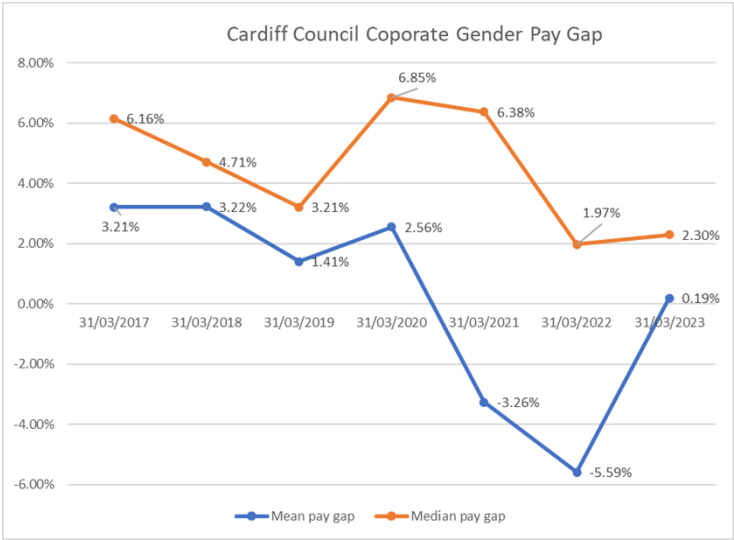
GENDER PAY GAP REPORT

66. The Council has published a Gender Pay Gap report as part of its Annual Equalities Monitoring Report. The report uses data for employees who were paid for the period that covers 31st March each year. There will be changes from year to year and these will very much depend on the extent to which changes arise in the number of male and female employees at different grades, the use of salary sacrifice schemes and changes to additional allowances paid to employees. The following Gender Pay Gap information sets out the actual differences in the average pay between employees who are male and those who are female (excluding schools) as at 31st March 2023, compared with 31st March 2022, and shows the percentage and actual pay gap between men and women:

Data excluding schools

	31.3.2022 Mean Hourly Rate	31.3.2022 Median Hourly Rate	31.3.2023 Mean Hourly Rate	31.3.2023 Median Hourly Rate
Male	15.37 Grade 6	13.71 Grade 6	16.11 Grade 6	14.78 Grade 6
Female	16.22 Grade 6	13.44 Grade 6	16.08 Grade 6	14.44 Grade 6
Pay Gap	-5.59% (£+0.85)	1.97% (-£0.27)	0.19% (-£0.03)	2.30% (-£0.34)

- 67. The **mean** average involves adding up all the hourly rates and dividing the result by how many numbers were in the list. The **median** average involves listing all the hourly rates in numerical order. If there is an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.
- 68. A positive percentage figure reveals that typically, or overall, employees who are female have lower pay than male employees. According to the national government’s Gender Pay Gap information at www.gov.uk, this is likely to be the situation for most employers. A negative percentage figure indicates that typically, or overall, employees who are female have higher pay than male employees.
- 69. Using the **mean** method of calculating the average the pay gap shows that the hourly rate for women is lower than that for men, with a pay gap of 0.19%, this is a change from 2022 when the mean method of calculating the average pay gap demonstrated a pay gap of -5.59%, in favour of women. The **median** average of 1.97% in 2022 has grown to 2.30% in 2023. Both methods of calculation indicate that employees who are female have lower pay than male employees.
- 70. The **mean** hourly pay rate for women for 2023 slightly changed with the hourly rate falling from within Grade 7 to Grade 6, with males remaining in Grade 6. The **median** hourly pay rates for both males and females are within Grade 6 which is consistent with 2022.
- 71. The graph below demonstrates Cardiff Council’s Gender Pay Gap trend between 2017 – 2023. The graph demonstrates that whilst there has been an expected fluctuation in the % gap between years, the gap has remained relatively constant with the overall trend demonstrating that the gap is narrowing for both mean and median methods of calculation around 0%. A gender pay gap of 0% would demonstrate that pay for males and females is the same; this graph shows the overall positive progress Cardiff Council is making towards that goal.



72. As demonstrated in the table below point 72, when schools are included, the Gender Pay Gap information at 31st March 2023, compared with 31st March 2022 shows that the mean and median hourly rates fall within the same grades as in the previous year. The mean pay gap shows that women overall have a lower mean hourly rate than men, by £0.13 per hour.
73. When schools are included, the 2022 the median pay gap was £0.83 per hour, a gap of 5.78% in favour of male employees, in 2023 this pay gap reduced significantly , bringing the actual hourly pay difference to -£0.53, to the benefit of male employees. It must be remembered that the pay information for school-based employees includes those who are paid on teachers’ terms and conditions so different pay award levels each year, and higher salary levels, will result in a fluctuation in the pay gap information.

Data including schools:

	31.3.2022 Mean Hourly Rate	31.3.2022 Median Hourly Rate	31.3.2023 Mean Hourly Rate	31.3.2023 Median Hourly Rate
Male	16.74 Grade 7	14.37 Grade 6	17.73 Grade 7 Increase of £0.99	15.26 Grade 6 Increase of £0.89
Female	16.88 Grade 7	13.54 Grade 6	17.60 Grade 7 Increase of £0.72	14.73 Grade 6 Increase of £1.19
Pay Gap	0.82% (£0.14)	5.78% (-£0.83)	0.73% (-£0.13)	3.47% (-£0.53)

74. The quartile table below shows the proportion of male and female full-pay relevant employees (excluding schools) in four quartile pay bands, which is calculated by dividing the workforce into four equal parts. If there are number of employees on the same hourly rate of pay crossing two of the quartiles, males and females are split as evenly as possible across the quartiles. Quartile 1 represents the lowest paid and Quartile 4 represents the highest paid.

Quartiles	31.3.2022		31.3.2023		Male Difference	Female Difference
	Male	Female	Male	Female		
Q1 Lower hourly pay	35.30%	64.70%	39.60%	60.40%	+4.30	-4.30
Q2 Lower middle hourly pay	42.46%	57.44%	41.54%	58.46%	-0.92	+1.02
Q3 Upper middle hourly pay	45.11%	54.89%	43.74%	56.26%	-1.37	+1.37
Q4 Upper hourly pay	42.83%	57.17%	42.83%	57.17%	0.00	0.00

75. At the 31st March 2023, compared to 2022, in Quartile 1 the percentage of females compared to male employees decreased. In Quartiles 2 and 3 the percentage of female employees compared to male employees increased. There is no change in the Q4 data.

76. Whilst there is no requirement in Wales to publish Gender Pay Gap information, Cardiff Council has chosen to publish its information on GOV.UK. In terms of the 2023/24 published data, Cardiff Council's position compares well to other Local Authorities, include those core cities that have published their data.

PENSION SCHEME

77. All Council employees (except for teachers) are entitled to join the local government pension scheme (LGPS) which is offered by the Local Government Employers. If employees are eligible, they will automatically become a member of the scheme (to join they must have a contract for at least 3 months duration and be under the age of 75). Employees can decide to opt out of the scheme. The benefits and contributions payable under the Fund are set out in the LGPS regulations.

78. The current level of contribution to the scheme by employees is:

Contribution table 2023/24			
Band	Actual pensionable pay for an employment	Contribution rate for that employment	
		Main	50/50 section
1	Up to £16,500	5.50%	2.75%
2	£16,501 to £25,900	5.80%	2.90%
3	£25,901 to £42,100	6.50%	3.25%
4	£42,101 to £53,300	6.80%	3.40%
5	£53,301 to £74,700	8.50%	4.25%
6	£74,701 to £105,900	9.90%	4.95%
7	£105,901 to £124,800	10.50%	5.25%
8	£124,801 to £187,200	11.40%	5.70%
9	£187,201 or more	12.50%	6.25%

79. Teachers are entitled to join the Teachers' Pensions scheme. As the Teachers Pensions scheme is operated externally further information can be found on www.teacherspensions.co.uk.
80. The Council's current published statement relating to pensions was agreed by the Cabinet on 12th June 2014 for implementation on 30th June 2014. The way redundancy payments are calculated was agreed by Cabinet on 26th January 2015 as part of the former Voluntary Redundancy Policy (now the Local Government Pension Scheme Discretions Policy) and is detailed below.

EXIT (REDUNDANCY/SEVERANCE) PAYMENTS

Voluntary Severance Scheme

81. The Council's 'Local Government Pension Scheme Discretions Policy' provides details of the position on making discretionary payments on early termination of employment under Regulation 7 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. The policy also provides details of the Council's policy on increasing an employee's total pension scheme membership and on awarding additional pension under Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008.
82. The arrangements set out in the document referred to in paragraph 80 apply to Chief Officers and all other employees of the Council irrespective of grade or status. The most relevant sections are detailed below:
- (i) **The power to pay lump sum compensation of up to 104 weeks** - the Council's policy for utilising this discretion is that the statutory redundancy table is multiplied by a factor of 1.5 subject to a maximum of 45 weeks from 3rd April 2015.
 - (ii) **The power to increase a Statutory Redundancy Payment** – the Council's policy for utilising this discretion is that redundancy payments to be based on actual week's pay up to a maximum of £643 per week (at 6th April 2023) or actual pay whichever is the lesser. The maximum figure to be adjusted by the statutory amount for a week's pay, as announced annually by the Department of Business Innovation and Skills. The maximum redundancy payable is therefore £28,935.
83. The policy effective since 5 April 2015 was amended to take account of the decision of an Employment Appeal Tribunal (EAT) in the case of *University of Sunderland v Drossou* (13 June 2017). The EAT ruled that employer's pension contributions should be included in the calculation of a week's pay for calculations made under the Employment Rights Act 1996 (ERA). Sections 220-229 of the ERA set out the rules regarding the 'week's pay provisions' and the way a week's pay is used, which includes the calculation of redundancy pay.
84. The EAT held that a week's pay should include remuneration 'payable by the employer under the contract of employment' and that this value should not be limited by what the employee directly receives. The rationale offered by the EAT was that employer's pension contributions formed part of the overall package of 'remuneration' offered to an employee in return for their services. The result of this is that, where appropriate, the

employer's pension contributions are included in the calculation of weekly pay, subject to the £643 maximum.

RE-EMPLOYMENT OF STAFF

85. Since 1st April 2015, the Council has had a policy regarding re-employment of employees (at any level) who take voluntary redundancy from the Council which was agreed at Cabinet on 26th January 2015.
86. The Council's agreed policy is that employees requesting voluntary redundancy have to agree to the condition that given the Council's obligation to safeguard public funds, they will be precluded from returning to employment (which includes permanent, temporary, casual and agency) within the Council (including schools) for a period of 12 months from the date of their termination. Casual engagement includes contracts for services.
87. The Council does not believe that it employs any individual in a manner that seeks to avoid tax.
88. Within the Council, under the pension fund discretionary policies there is generally no abatement of pension following re-employment except under the following circumstances:
 - (i) Where a person has been awarded compensatory added years (CAY's) under the LGPS Compensation Regulations the pension may be abated. This is a requirement of the compensation regulations, but these will be historical cases as CAY's can no longer be granted.
 - (ii) Where a person has retired under tier 1 ill health provisions and is subsequently re-employed. This is because the certification for tier 1 supposes that the person is permanently unfit for all work. Other tiers of ill health or other retirements would not lead to abatement on re-employment.
89. Abatement, where it applies, would be based on non-betterment that is the pension together with the pay in the new employment should not exceed the pay at the point of retirement (adjusted for pension increases). Under (i) the abatement would only apply to the pension from CAY's.

NON-GUARANTEED WORKING HOURS

90. In December 2016 the Welsh Government issued principles and guidance on the appropriate use of non-guaranteed hours arrangements in the devolved public services in Wales. These principles and guidance were developed by the Public Services Staff Commission in social partnership with the Welsh Government's Partnership Council and its sector groups.
91. The Council is committed to the principles determined by Welsh Government which apply to those employees who are employed on a relief, casual or sessional basis.

These employees are used in services within the Council where there is either a need to bring in an additional workforce in order to cover peaks in workload or where the workload is on a one-off basis.

ACCOUNTABILITY AND DECISION MAKING

92. In accordance with the Constitution of the Council, the Cabinet are responsible for decision making in terms of pay, terms and conditions and redundancy arrangements in relation to employees of the Council. The exception to this is that the Employment Conditions Committee is responsible for posts at Chief Officer level and above.
93. In accordance with the Localism Act 2011 redundancy packages above £100,000 for Chief Officers must be agreed by full Council. The redundancy package includes any redundancy payment (from 3 April 2015, statutory redundancy pay of 30 weeks plus an additional 15 weeks), contractual notice period and full cost of early release of pension (as required under Regulation 68(2) of the Local Government Pension Scheme).

REVIEW OF THE POLICY

94. This Pay Policy Statement will be kept under review and developments considered in the light of external best practice and legislation. The Pay Policy Statement may also be reviewed as part of the Council's existing Scrutiny arrangements. The Council will ensure the Pay Policy Statement is updated on an annual basis in line with the requirement of the Localism Act 2011. The annual Pay Policy Statement will be submitted to Cabinet, and then full Council by March of each year.
95. In line with legislation, this Pay Policy Statement will be reviewed and updated on an annual basis for consideration and agreement by full Council, with the next Pay Policy Statement to be in place for the 2025/26 financial year.

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Salary Scales

SCP	Job Evaluation Scores (GLPC scheme)	FTE SALARY	MONTHLY	HOURLY (National Living Wage £10.42 from 01/04/2023)	Hourly Living Wage £10.90 from 01/04/2023 then £12.00 from 01/01/2024
GRADE 1					
2	1 - 247	22366	1863.84	11.59	
GRADE 2					
3	248 - 286	22737	1894.75	11.79	
GRADE 3					
3	287 - 327	22737	1894.75	11.79	
4		23114	1926.17	11.98	
5		23500	1958.34	12.18	
6		23893	1991.09	12.38	
GRADE 4					
6	328 - 369	23893	1991.09	12.38	
7		24294	2024.50	12.59	
8		24702	2058.50	12.80	
9		25119	2093.25	13.02	
11		25979	2164.92	13.47	
GRADE 5					
11	370 - 409	25979	2164.92	13.47	
12		26421	2201.75	13.69	
14		27334	2277.84	14.17	
15		27803	2316.92	14.41	
17		28770	2397.50	14.91	
19		29777	2481.42	15.43	
GRADE 6					
19	410 - 454	29777	2481.42	15.43	
20		30296	2524.67	15.70	
22		31364	2613.67	16.26	
23		32076	2673.00	16.63	
24		33024	2752.00	17.12	
25		33945	2828.75	17.59	
GRADE 7					
25	455 - 499	33945	2828.75	17.59	
26		34834	2902.84	18.06	
27		35745	2978.75	18.53	
28		36648	3054.00	19.00	
29		37336	3111.34	19.35	
30		38223	3185.25	19.81	
GRADE 8					
30	500 - 544	38223	3185.25	19.81	
31		39186	3265.50	20.31	
32		40221	3351.75	20.85	
33		41418	3451.50	21.47	
34		42403	3533.59	21.98	
GRADE 9					
34	545 - 589	42403	3533.59	21.98	
35		43421	3618.42	22.51	
36		44428	3702.34	23.03	
37		45441	3786.75	23.55	
GRADE 10					
37	590 +	45441	3786.75	23.55	
38		46464	3872.00	24.08	
39		47420	3951.67	24.58	
40		48474	4039.50	25.13	
Other		0	0.00	0.00	

* SCP 10, 13, 16, 18 & 21 are not in use

SCP	FTE SALARY	MONTHLY	HOURLY
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JNC CHIEF OFFICERS (as at 1st April 2023)

OM2			
1	52241	4353.42	27.08
2	54884	4573.67	28.45
3	57185	4765.42	29.64
4	59936	4994.67	31.07
5	62691	5224.25	32.49

OM1			
1	63391	5282.59	32.86
2	66801	5566.75	34.62
3	70213	5851.09	36.39
4	73438	6119.84	38.06
5	76815	6401.25	39.82

Chief Officer/Assistant Director			
1	95474	7956.17	49.49

Chief Digital Officer			
1	112352	9362.67	58.24

Director			
1	139463	11621.92	72.29

Corporate Director			
1	150920	12576.67	78.23

JNC CHIEF EXECUTIVE (as at 1st April 2023)

Chief Executive			
1	196744	16395.34	101.98

Teacher (Main Pay Range)

			Daily Rate (195ths) for 01/09/2023 - 31/08/2024
2	30742	2561.83	157.65
3	33212	2767.67	170.32
4	35771	2980.92	183.44
5	38587	3215.58	197.88
6	42466	3538.83	217.77

Teacher (Upper Pay Range)

			Daily Rate (195ths) for 01/09/2023 - 31/08/2024
1	44024	3668.67	225.76
2	45656	3804.67	234.13
3	47340	3945.00	242.77

Unqualified Teacher

			Daily Rate (195ths) for 01/09/2023 - 31/08/2024
1	20674	1722.83	106.02
2	23078	1923.17	118.35
3	25482	2123.50	130.68
4	27885	2323.75	143.00
5	30292	2524.33	155.34
6	32696	2724.67	167.67

Leadership Group Range

	Min	Max
Group 1	54316	72,263
Group 2	57064	77,769
Group 3	61547	83,699
Group 4	66148	90,079
Group 5	72985	99,347
Group 6	78547	109,585
Group 7	84536	120,811
Group 8	93236	133,350

* Scale points to be applied **only** to head teachers at the top of the school group range in the academic year 2015/16, indicating no uplift for 2016/17.

e.g

Headteacher on Grade 12-18 (moves to sp18 on Sept 2016)
Salary Range £51,127 - £58,677 (no uplift on point 18)

Headteacher on Grade 15-21 (moves to sp18 on Sept 2016)
Salary Range £55,049 - £63,779 (sp18 = £59,264)

Leading Practitioner Range

LP01 - LP05		LP02 - LP06		LP03-LP07	
1	48248	2	49457	3	50691
2	49457	3	50691	4	51952
3	50691	4	51952	5	53246
4	51952	5	53246	6	54582
5	53246	6	54582	7	56053
LP04-LP08		LP05-LP09		LP06-LP10	
4	51952	5	53246	6	54582
5	53246	6	54582	7	56053
6	54582	7	56053	8	57344
7	56053	8	57344	9	58776
8	57344	9	58776	10	60287
LP07-LP11		LP08-LP12		LP09-LP13	
7	56053	8	57344	9	58776
8	57344	9	58776	10	60287
9	58776	10	60287	11	61854
10	60287	11	61851	12	63276
11	61851	12	63276	13	64857
LP10-LP14		LP11-LP15		LP12-LP16	
10	60287	11	61851	12	63276
11	61851	12	63276	13	64857
12	63276	13	64857	14	66474
13	64857	14	66474	15	68128
14	66474	15	68128	16	69940
LP13-LP17		LP14-LP18			
13	64857	14	66474		
14	66474	15	68128		
15	68128	16	69940		
16	69940	17	71545		
17	71545	18	73347		

Leadership Pay Range

1	48012
2	49213
3	50441
4	51697
5	52985
6	54316
7	55776
8	57064
9	58488
10	59990
11	61547
12	62966
13	64540
14	66148
15	67794
16	69598
17	71195
18*	72263
18	72985
19	74796
20	76649
21*	77769
21	78547
22	80497
23	82490
24*	83699
24	84536
25	86636
26	88780
27*	90079
27	90980
28	93236
29	95545
30	97923
31*	99347
31	100343
32	106836
33	105390
34	107996
35*	109585
35	110681
36	113420
37	116240
38	119117
39*	120811
39	122020
40	125064
41	128189
42	131400
43	133350

JNC YOUTH AND COMMUNITY (as at 1st September 2023)

SCP	FTE SALARY	MONTHLY	HOURLY	Hourly Living Wage £10.90 from 01/04/2023 then £12.00 from 01/01/2024
CE2				01/04/23 - £21029
05	29606	2467.17	15.35	
07	31528	2627.34	16.34	
09	35547	2962.25	18.42	
10	41344	3445.34	21.43	

SCP	FTE SALARY	MONTHLY	HOURLY
T00 1			
11	27434	2286.17	14.22
12	28501	2375.09	14.77
13	29606	2467.17	15.35
14	30750	2562.50	15.94
T00 2			
18	33946	2828.84	17.60
19	34745	2895.42	18.01
20	35547	2962.25	18.42
21	36447	3037.25	18.89
T00 3			
20	35547	2962.25	18.42
21	36447	3037.25	18.89
22	37467	3122.25	19.42
23	38461	3205.09	19.94
T00 4			
22	37467	3122.25	19.42
23	38461	3205.09	19.94
24	39459	3288.25	20.45
25	40465	3372.09	20.97
T00 4A			
24	39459	3288.25	20.45
25	40465	3372.09	20.97
26	41470	3455.84	21.50
27	42475	3539.59	22.02
T00 5			
27	42475	3539.59	22.02
28	43493	3624.42	22.54
29	44502	3708.50	23.07
30	45513	3792.75	23.59

SCP	FTE SALARY	MONTHLY	HOURLY
T00 HRLY			
05	23496	1958.00	12.18
06	23825	1985.42	12.35
07	24121	2010.09	12.50
08	24799	2066.59	12.85
09	25664	2138.67	13.30
10	26341	2195.09	13.65
11	27434	2286.17	14.22
12	28501	2375.09	14.77
13	29606	2467.17	15.35
14	30750	2562.50	15.94
15	31528	2627.34	16.34
16	32341	2695.09	16.76
17	33141	2761.75	17.18
18	33946	2828.84	17.60
19	34745	2895.42	18.01
20	35547	2962.25	18.42
21	36447	3037.25	18.89
22	37467	3122.25	19.42
23	38461	3205.09	19.94
24	39459	3288.25	20.45

SCP	FTE SALARY	MONTHLY	HOURLY
EAI			
01	40540	3378.34	21.01
02	41920	3493.34	21.73
03	43224	3602.00	22.40
04	44545	3712.09	23.09
05	45857	3821.42	23.77
06	47170	3930.84	24.45
07	48550	4045.84	25.16
08	49878	4156.50	25.85
09	51425	4285.42	26.65
10	52805	4400.42	27.37
11	54166	4513.84	28.08
12	55484	4623.67	28.76
13	56976	4748.00	29.53
14	58308	4859.00	30.22
15	59777	4981.42	30.98
16	61106	5092.17	31.67
17	62440	5203.34	32.36
18	63748	5312.34	33.04
19	65097	5424.75	33.74
20	65794	5482.84	34.10
21	67133	5594.42	34.80
22	68301	5691.75	35.40
23	69586	5798.84	36.07
24	70739	5894.92	36.67
25	71971	5997.59	37.30
26	73173	6097.75	37.93
27	74403	6200.25	38.57
28	75650	6304.17	39.21
29	76899	6408.25	39.86
30	78146	6512.17	40.51
31	79382	6615.17	41.15
32	80637	6719.75	41.80
33	81894	6824.50	42.45
34	83180	6931.67	43.11
35	84465	7038.75	43.78
36	85784	7148.67	44.46
37	87083	7256.92	45.14
38	88396	7366.34	45.82
39	89691	7474.25	46.49
40	90985	7582.09	47.16
41	92285	7690.42	47.83
42	93585	7798.75	48.51
43	94883	7906.92	49.18
44	96189	8015.75	49.86
45	97490	8124.17	50.53
46	98794	8232.84	51.21
47	100102	8341.84	51.89
48	101399	8449.92	52.56
49	102700	8558.34	53.23

SCP	FTE SALARY	MONTHLY	HOURLY
AEP			
02	35228	2935.67	18.26
03	36531	3044.25	18.93
04	37828	3152.34	19.61
05	39341	3278.42	20.39

SCP	FTE SALARY	MONTHLY	HOURLY
EDPSY A			
01	42422	3535.17	21.99
02	44474	3706.17	23.05
03	46525	3877.09	24.12
04	48575	4047.92	25.18
05	50627	4218.92	26.24
06	52678	4389.84	27.30
07	54609	4550.75	28.31
08	56540	4711.67	29.31
09	58348	4862.34	30.24
10	60160	5013.34	31.18
11	61848	5154.00	32.06

SCP	FTE SALARY	MONTHLY	HOURLY
EDPSY B			
01	52678	4389.84	27.30
02	54609	4550.75	28.31
03	56540	4711.67	29.31
04	58348	4862.34	30.24
05	60160	5013.34	31.18
06	61848	5154.00	32.06
07	62540	5211.67	32.42
08	63836	5319.67	33.09
09	65120	5426.67	33.75
10	66425	5535.42	34.43
11	67706	5642.17	35.09
12	69010	5750.84	35.77

Community Service Manager Range

CSM 1			CSM 2			CSM 3		
SCP	FTE SALARY	MONTHLY	SCP	FTE SALARY	MONTHLY	SCP	FTE SALARY	MONTHLY
1	41972	3497.67	2	43281	3606.75	3	44587	3715.59
2	43281	3606.75	3	44587	3715.59	4	45922	3826.84
3	44587	3715.59	4	45922	3826.84	5	47278	3939.84
4	45922	3826.84	5	47278	3939.84	6	48601	4050.09
CSM 4			CSM 5			CSM 6		
4	45922	3826.84	5	47278	3939.84	6	48601	4050.09
5	47278	3939.84	6	48601	4050.09	7	49953	4162.75
6	48601	4050.09	7	49953	4162.75	8	51490	4290.84
7	49953	4162.75	8	51490	4290.84	9	52338	4361.5
CSM 7			CSM 8			CSM 9		
7	49953	4162.75	8	51490	4290.84	9	52338	4361.5
8	51490	4290.84	9	52338	4361.5	10	53648	4470.67
9	52338	4361.5	10	53648	4470.67	11	54950	4579.17
10	53648	4470.67	11	54950	4579.17	12	56255	4687.92
CSM 10			CSM 11			CSM 12		
10	53648	4470.67	11	54950	4579.17	12	56255	4687.92
11	54950	4579.17	12	56255	4687.92	13	57550	4795.84
12	56255	4687.92	13	57550	4795.84	14	58858	4904.84
13	57550	4795.84	14	58858	4904.84	15	60167	5013.92
CSM 13			CSM 14			CSM 15		
13	57550	4795.84	14	58858	4904.84	15	60167	5013.92
14	58858	4904.84	15	60167	5013.92	16	61481	5123.42
15	60167	5013.92	16	61481	5123.42	17	62800	5233.34
16	61481	5123.42	17	62800	5233.34	18	64113	5342.75
CSM 16			CSM 17			CSM 18		
16	61481	5123.42	17	62800	5233.34	18	64113	5342.75
17	62800	5233.34	18	64113	5342.75	19	65417	5451.42
18	64113	5342.75	19	65417	5451.42	20	66749	5562.42
19	65417	5451.42	20	66749	5562.42	21	68106	5675.5
CSM 19			CSM 20			CSM 21		
19	65417	5451.42	20	66749	5562.42	21	68106	5675.5
20	66749	5562.42	21	68106	5675.5	22	69496	5791.34
21	68106	5675.5	22	69496	5791.34	23	70912	5909.34
22	69496	5791.34	23	70912	5909.34	24	72358	6029.84

ALLOWANCES

Single Status Contractual Allowances - NJC 37 Hours

Wage Type	Wage Type Text	£/Hours/Units	Comments
1015	Market Supplement £	£	Cash Amount
1020	Market Supplement %	Units	% of Annual Salary, amount auto populates
1253	Travel Allowance	£	Cash Amount. Payments will be not considered unless the additional expenditure exceeds £3.27 per week and payments should continue for a period of 1 year from the date of transfer, whichever is the shorter
1306	Protected Allowance	£	SOP Protected Allowance
1324	Dress Allowance	£	Cash Amount £21.81
1403	Secondment allowance	£	Cash Amount for External Secondment
1405	Acting Up Allowance	£	Cash Amount
1421	AMHP Payment	£	£2808 PA pro rata, amount auto populates
1510	Term Time Only Wks	Units	44 Weeks Max
1515	Term Time Leave Ent Days	Units	27 or 32 Days
1600	Contractual Overtime	Hours	SCP * 1.5
1605	Night Allowance	Hours	SCP * 1/3
1610	Shift Allowance 10%	£	10% of Annual Salary, amount auto populates
1615	Standby Duty	Units	£34.04 per session
1620	Weekend Work	Hours	SCP * 1/2
1625	SEN	£	£548.16 PA, £45.68 monthly amount auto populates
1630	First Aid Allowance	£	£206.16 PA, £17.18 monthly amount auto populates
1632	Living Wage Supplement	£	N/A for NJC 37 hours & JNC Craft/Assoc
1650	Market Supplement - CS	£	£5000 PA pro rata, amount auto populates
1658	Market Supplement - AS	£	£1000 PA pro rata, amount auto populates

Single Status Contractual Allowances - JNC Craft/Assoc

Wage Type	Wage Type Text	£/Hours/Units	Comments
1253	Travel Allowance	£	Cash Amount. Payments will be not considered unless the additional expenditure exceeds £3.27 per week and payments should continue for a period of 1 year from the date of transfer, whichever is the shorter
1403	Secondment allowance	£	Cash Amount for External Secondment
1405	Acting Up Allowance	£	Cash Amount
1510	Term Time Only Wks	Units	44 Weeks Max
1515	Term Time Leave Ent Days	Units	27 or 32 Days
1600	Contractual Overtime	Hours	SCP * 1.5
1605	Night Allowance	Hours	SCP * 1/3
1610	Shift Allowance 10%	£	10% of Annual Salary, amount auto populates
1615	Standby Duty	Units	£34.04 per session
1620	Weekend Work	Hours	SCP * 1/2
1630	First Aid Allowance	£	£206.16 PA, £17.18 monthly amount auto populates
1632	Living Wage Supplement	£	N/A for NJC 37 hours & JNC Craft/Assoc
1634	Tool Allowance 1	£	£208.08 PA, 17.34 monthly amount auto populates
1636	Tool Allowance 2	£	£444.24 PA, £37.02 monthly amount auto populates

Contractual Allowances - Chief Officers

Wage Type	Wage Type Text	£/Hours/Units	Comments
1253	Travel Allowance	£	Cash Amount. Payments will be not considered unless the additional expenditure exceeds £3.27 per week and payments should continue for a period of 1 year from the date of transfer, whichever is the shorter
1403	Secondment allowance	£	Cash Amount for External Secondment
1405	Acting Up Allowance	£	Cash Amount
1510	Term Time Only Wks	Units	44 Weeks Max
1515	Term Time Leave Ent Days	Units	27 or 32 Days
1630	First Aid Allowance	£	£206.16 PA, £17.18 monthly amount auto populates

Contractual Allowances - JNC Youth & Comm

Wage Type	Wage Type Text	£/Hours/Units	Comments
1253	Travel Allowance	£	Cash Amount. Payments will be not considered unless the additional expenditure exceeds £3.03 per week and payments should continue for a period of 1 year from the date of transfer, whichever is the shorter
1403	Secondment allowance	£	Cash Amount for External Secondment
1405	Acting Up Allowance	£	Cash Amount
1510	Term Time Only Wks	Units	44 Weeks Max
1515	Term Time Leave Ent Days	Units	34 or 39 Days (Actual AL are 30 or 35)
1630	First Aid Allowance	£	£206.16 PA, £17.18 monthly amount auto populates

Contractual Allowances - Soulbury

Wage Type	Wage Type Text	£/Hours/Units	Comments
1253	Travel Allowance	£	Cash Amount. Payments will be not considered unless the additional expenditure exceeds £3.03 per week and payments should continue for a period of 1 year from the date of transfer, whichever is the shorter
1403	Secondment allowance	£	Cash Amount for External Secondment
1405	Acting Up Allowance	£	Cash Amount
1510	Term Time Only Wks	Units	44 Weeks Max
1515	Term Time Leave Ent Days	Units	29 or 34 Days (Actual AL are 25 or 30)
1630	First Aid Allowance	£	£206.16 PA, £17.18 monthly amount auto populates

Contractual Allowances - Teachers

Wage Type	Wage Type Text	£/Hours/Units	Comments
1313	Pay Supplement	£	Cash Amount
1360	ALN - Teacher	£	Cash Amount - please refer to the minimum and maximum for each academic year below
1375	First Aid - Teachers	£	£206.16 PA, £17.18 monthly amount auto populates
1376	TLR 1 PRO RATA	£	Cash Amount - please refer to the minimum and maximum for each academic year below.
1377	TLR 2 PRO RATA	£	Cash Amount - please refer to the minimum and maximum for each academic year below
1378	Safeguard Payment	£	Fixed term cash amount - normally ends after 3 years
1386	TLR3	£	Fixed term cash amount - requires an end date, please refer to the minimum and maximum for each academic year below
1388	Discretionary Payment HT	£	Cash Amount
1389	Discretionary Payment HT %	Units	% of Annual Salary, amount auto populates
1651	TLR 1 Full Rate	£	Cash Amount - please refer to the minimum and maximum for each academic year below. PART TIME TEACHERS ONLY
1652	TLR 2 Full Rate	£	Cash Amount - please refer to the minimum and maximum for each academic year below. PART TIME TEACHERS ONLY
1401	R & R Allowance	£	Cash Amount

Start Date	End Date	Allowance	Annual Min	Annual Max
01/09/15	31/08/16	SEN - Teacher	£2,064	£4,075
01/09/16	31/08/17	SEN - Teacher	£2,085	£4,116
01/09/17	31/08/18	SEN - Teacher	£2,106	£4,158
01/09/18	31/08/19	SEN - Teacher	£2,149	£4,242
01/09/19	31/08/20	SEN - Teacher	£2,209	£4,359
01/09/20	31/08/21	SEN - Teacher	£2,270	£4,479
01/09/21	31/08/22	ALN - Teacher	£2,310	£4,558
01/09/22	31/08/23	ALN - Teacher	£2,461	£4,855
01/09/23		ALN - Teacher	£2,585	£5,098
01/09/15	31/08/16	TLR 1 Pro Rata	£7,546	£12,770
01/09/16	31/08/17	TLR 1 Pro Rata	£7,622	£12,898
01/09/17	31/08/18	TLR 1 Pro Rata	£7,699	£13,027
01/09/18	31/08/19	TLR 1 Pro Rata	£7,853	£13,288
01/09/19	31/08/20	TLR 1 Pro Rata	£8,069	£13,654
01/09/20	31/08/21	TLR 1 Pro Rata	£8,291	£14,030
01/09/21	31/08/22	TLR 1 Pro Rata	£8,437	£14,276
01/09/22	31/08/23	TLR 1 Pro Rata	£8,986	£15,204
01/09/23		TLR 1 Pro Rata	£9,436	£15,965
01/09/15	31/08/16	TLR 2 Pro Rata	£2,613	£6,386
01/09/16	31/08/17	TLR 2 Pro Rata	£2,640	£6,450
01/09/17	31/08/18	TLR 2 Pro Rata	£2,667	£6,515
01/09/18	31/08/19	TLR 2 Pro Rata	£2,721	£6,646
01/09/19	31/08/20	TLR 2 Pro Rata	£2,796	£6,829
01/09/20	31/08/21	TLR 2 Pro Rata	£2,873	£7,017
01/09/21	31/08/22	TLR 2 Pro Rata	£2,924	£7,140
01/09/22	31/08/23	TLR 2 Pro Rata	£3,115	£7,605
01/09/23		TLR 2 Pro Rata	£3,271	£7,986
01/09/15	31/08/16	TLR 3	£619	£3,071
01/09/16	31/08/17	TLR 3	£523	£2,603
01/09/17	31/08/18	TLR 3	£529	£2,630
01/09/18	31/08/19	TLR 3	£540	£2,683
01/09/19	31/08/20	TLR 3	£555	£2,757
01/09/20	31/08/21	TLR 3	£571	£2,833
01/09/21	31/08/22	TLR 3	£581	£2,883
01/09/22	31/08/23	TLR 3	£619	£3,071



CYNGOR CAERDYDD CARDIFF COUNCIL

COUNCIL:

28 MARCH 2024

COMPLIANCE REPORTS 2022/23 - STATEMENT OF ACCOUNTS AND ANNUAL GOVERNANCE STATEMENT

Reason for this Report

1. The Statement of Accounts for 2022/23 are presented to meet the requirement of the Accounts and Audit (Wales) Regulations 2014 (as amended). This provides that the Statement of Accounts be approved by a relevant committee or by the Council meeting as a corporate body. The report also includes the Annual Governance Statement (AGS) which is required to be approved by Council.
2. The International Standard on Auditing (ISA) 260 requires the Appointed Auditor to report to those charged with governance, on the key matters arising from the audit examination of the Statement of Accounts for the year ending 31 March 2023. It should be noted that the audited Statement of Accounts of Cardiff and Vale of Glamorgan Pension Fund for the financial year 2022/23 was approved by Council at its meeting in October 2023.

Background

3. The audited Statement of Accounts for the County Council of the City and County of Cardiff (Cardiff Council) and the Cardiff Harbour Authority are shown in Appendix 1. The Annual Governance Statement is attached at Appendix 2.
4. The draft accounts were presented to the Governance and Audit Committee on 11 July 2023. Prior to this, they were provided to Audit Wales on 16 June 2023 to commence the audit.
5. The draft accounts were available for public inspection between 19 July 2023 and 15 August 2023 as required by the Public Audit (Wales) Act 2004 and Accounts and Audit (Wales) Regulations, 2014 (as amended).
6. Following substantial completion of the audit, the Governance and Audit Committee on 26 March 2024 considered the Draft Audit of Accounts Reports (ISA 260) for the Council and Cardiff Harbour Authority which were presented by Audit Wales.
7. The statements include the following:
 - narrative report

- accounting policies
 - core financial statements
 - disclosure notes to the accounts
 - supplementary statements including Housing Revenue Account, Trust Funds, Cardiff Harbour Authority and group accounts which consolidates the position to include Cardiff City Transport Services Limited (Cardiff Bus).
8. Notes included in the Council's Statement of Accounts, either as a result of legislative or accounting requirements also include:
- disclosures on financial instruments (financial assets and financial liabilities)
 - capital expenditure and financing
 - remuneration including school's employees and
 - reserves and provisions.

The Cardiff Council Accounts

9. The auditor's "Audit of Accounts Report (ISA 260)" for Cardiff Council is attached as Appendix 3. There are no uncorrected material misstatements.
10. Audit Wales intend to issue an unqualified audit report on the financial statements once they have been provided with the Letter of Representation, which is included in Appendix 3.

Cardiff Harbour Authority Accounts

11. The auditor's "Audit of Accounts Report (ISA 260)" for the Cardiff Harbour Authority is attached as Appendix 4. There are no uncorrected material misstatements.
12. Audit Wales intend to issue an unqualified audit report on the financial statements once they have been provided with the Letter of Representation, which is included in Appendix 4.

Cardiff Port Health Authority

13. The external auditor is also required to audit the annual return of the Cardiff Port Health Authority (CPHA). The Annual Return including the audit opinion is attached at Appendix 5.

Overview of the External Auditor's Audit Opinion

14. Local authority financial statements are complex and can be difficult to understand. They must comply with CIPFA's Local Authority Code of Practice, which is based on International Financial Reporting Standards (IFRS), and also the requirements of accounting and financing regulations of central government.
15. Future year's changes in the Statement of Accounts include continued updates to meet new accounting requirements as well as uncertainty regarding the period over which the accounts are prepared, audited and published. Recommendations arising from the audit will form part of a management response in respect to the implications, cost, achievability and timing of agreed actions.

Annual Governance Statement (AGS)

16. The AGS was submitted to the Governance and Audit Committee on 23 January 2024 for review. No significant amendments were made following feedback from this review by Audit Wales, with only minor narrative changes made in a revised statement included in Appendix 2.

Legal Implications

17. The report is presented to Council to meet statutory, regulatory and codified requirements to do so.

Financial Implications

18. This report is presented to Council in discharge of its duty to approve the audited accounts and AGS.

RECOMMENDATIONS

Council is requested to:

1. Approve the audited Statement of Accounts 2022/23 – Cardiff Council and Cardiff Harbour Authority (Appendix 1).
2. Approve the Annual Governance Statement 2022/23 (Appendix 2).
3. Note the Audit of Accounts Reports (ISA 260) from Audit Wales on the Statement of Accounts of Cardiff Council and Cardiff Harbour Authority for the year ending 31 March 2023 (Appendices 3 and 4).
4. Approve the Cardiff Port Health Authority Annual Return 2022/23 (Appendix 5).
5. Note the final Letters of Representation for Cardiff Council and Cardiff Harbour Authority included within Appendices 3 and 4.
6. Note that the following documents will be signed following the conclusion of the meeting:
 - Statement of Accounts for Cardiff Council – Lord Mayor and Corporate Director Resources
 - Statement of Accounts for Cardiff Harbour Authority – Corporate Director Resources
 - Annual Return of Cardiff Port Health Authority – Lord Mayor and Corporate Director Resources
 - Annual Governance Statement – Leader of the Council and Chief Executive
 - Audit Certificate for the Cardiff Council and Cardiff Harbour Authority – Appointed Auditor, Audit Wales
 - Letter of Representation for Cardiff Council - Lord Mayor and Corporate Director Resources.

- Letter of Representation for Cardiff Harbour Authority – Lord Mayor and Corporate Director Resources.

CHRISTOPHER LEE
Corporate Director Resources

The following appendices are attached:

Appendix 1 – Statement of Accounts 2022/23 – The County Council of the City and County of Cardiff as well as Cardiff Harbour Authority

Appendix 2 – Annual Governance Statement 2022/23

Appendix 3 – Audit Wales - Audit of Accounts Report 2022/23 (ISA 260) and Letter of Representation – Cardiff Council

Appendix 4 – Audit Wales - Audit of Accounts Report 2022/23 (ISA 260) and Letter of Representation – Cardiff Harbour Authority

Appendix 5 – Cardiff Port Health Authority Annual Return 2022/23



Statement of Accounts 2022/23

The County Council of the City and County of Cardiff



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Narrative Report by Council's Statutory Finance Officer



CRYFACH
TECACH
GWYRDDACH

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Introduction

This report presents the 2022/23 Statement of Accounts for the County Council of the City and County of Cardiff (the Council). It sets out our financial performance for the past year and is prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

Our City

Cardiff is the Capital City of Wales, covering an area of 140 square kilometres. It has a population of 360,000 living in approximately 163,000 homes. It is an economic, cultural and political capital city. A city of strong and safe communities, great schools and universities, creative, talented, and welcoming people.

Like all cities, Cardiff has its challenges and health, social and economic inequalities exist within the city. In fact, if the 'Southern Arc' of Cardiff was considered a single Local Authority, it would be identified as the most deprived in Wales. Economic success has brought pressures such as congestion, air pollution and a demand for affordable housing.

Stronger, Fairer, Greener

'Stronger Fairer Greener' are the key policy themes that will underpin the Council's work over the next few years.

- A stronger city, with an economy creating and sustaining well-paid jobs, with an education system that helps our young people reach their potential, with good, affordable housing in safe, confident and empowered communities, all supported by well resourced, efficient public services.
- A fairer city, where the opportunities of living in Cardiff can be enjoyed by everyone, whatever their background, where those suffering the effects of poverty are protected and supported, where a fair day's work receives a fair day's pay, and where every citizen is valued and feels valued.
- A greener city which, through our One Planet Cardiff programme, takes a lead on responding to the climate emergency, which celebrates and nurtures biodiversity, with high-quality open spaces within easy reach for rest and play which are connected by convenient, accessible, safe sustainable transport options.

The Council aims to address the above challenges by embarking on a programme of action, with commitments and targets to move forward in the face of significant budgetary pressures.

The Council's Corporate Plan and the Wellbeing Plan translate the above priorities into deliverable organisational objectives, setting out the steps to be taken and how performance will be measured.

In the wider context of delivering these objectives, the financial climate remains challenging and in the medium term, the amount of funding available for 'non-statutory' services will make their continued delivery very challenging. This will form the backdrop to public service delivery as the Council responds to the realities of an uncertain geopolitical and post pandemic world to deliver its agenda for the city.

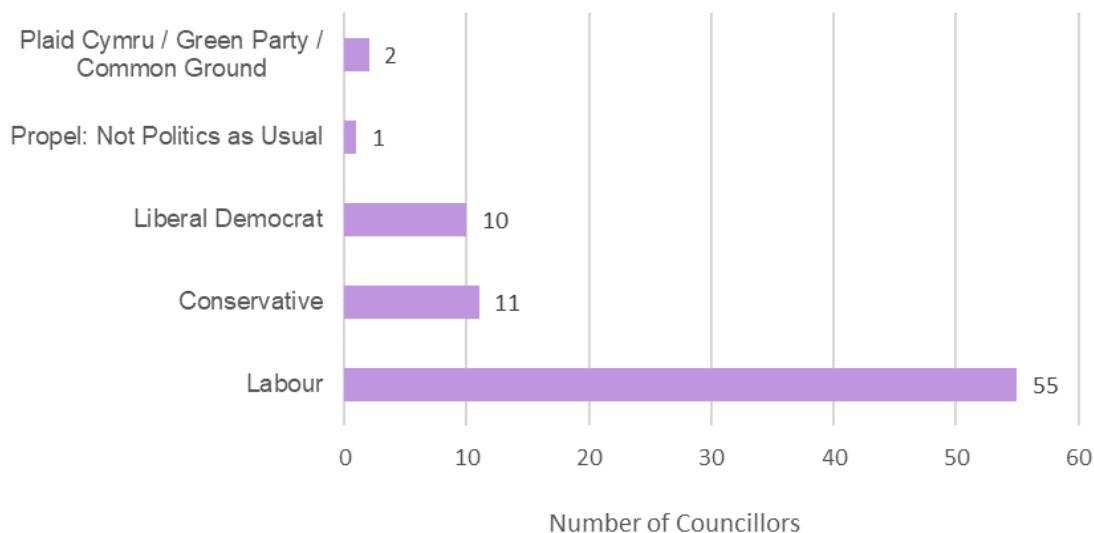
Further information can be found using this link

[Stronger Fairer Greener \(cardiff.gov.uk\)](https://www.cardiff.gov.uk)

Our Democracy

The Council has 79 elected Councillors who represent the people of Cardiff and set the overall policy and budget framework.

Cardiff Councillors - Political Party Representation



The constitution sets out how the Council operates, how decisions are made and the procedures to be followed to ensure decisions are efficient, transparent and accountable to local people. The Council annually selects a Lord Mayor to perform a civic role, promote the city and chair Council meetings. The Council appoints a Leader of the Council who appoints Cabinet Members, each with responsibility for a specific portfolio of services.

The role of Cabinet is to:

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

Scrutiny Committees support the work of the Cabinet and the Council by:

- monitoring decisions of the Cabinet
- allowing all Councillors, citizens and stakeholders to have a say in matters concerning the Council
- producing reports and recommendations to support the development of policies and decisions
- having the ability to review a decision, which has been made but not yet implemented.

Regulatory and other committees support delivery of Council services. Council has given the Governance and Audit Committee the responsibility for the review of the Financial Statements for the Council. This is prior to full Council's consideration of the external audit opinion and approval of the financial statements. The Council's Management Team is led by Chief Executive Paul Orders and includes Corporate Directors, Directors and Assistant Directors, including the statutory officers (Monitoring Officer and Section 151 Officer). They are responsible for:

- providing impartial advice on policy and implementing decisions of the Cabinet and Council; and
- delivery of services and performance.

Our Services and the way we work

The Council provides over 700 services, supporting local communities and improving the lives of local people, some of which are shown below.

Planning, Transport and Environment	Economic Development
<ul style="list-style-type: none"> • Bereavement and Registration • Highways infrastructure and street cleaning • Transport and Civil Parking Enforcement • Planning 	<ul style="list-style-type: none"> • Business and Investment • Regeneration and major projects • Corporate Landlord • Culture, Venues and tourism • Leisure, Parks and Sport • Waste Collection, Recycling, Treatment, Disposal and Education
People and Communities - Housing and Communities	People and Communities - Social Services
<ul style="list-style-type: none"> • Community Hubs and Libraries • Customer facing services e.g. preventive and 'into work' services • Independent living and community alarm • Adult and community learning • Performance, Partnerships and Housing Revenue Account – council dwellings management 	<ul style="list-style-type: none"> • Adult learning disabilities and mental health • Youth offending • Children's safeguarding, early help, fostering and residential services • Support for older people and those with physical disabilities
Education and Lifelong Learning	Resources
<ul style="list-style-type: none"> • Nursery, Primary, Secondary and Special schools • Youth and community education and community learning • Achievement and Inclusion • Schools Catering • Schools Transport 	<ul style="list-style-type: none"> • Finance • Human Resources • Commissioning and Procurement • ICT, Customer and Digital services • Central Transport Services
Corporate Management	Resources - Governance and Legal Services
<ul style="list-style-type: none"> • Precepts, levies and contributions • Corporate initiatives 	<ul style="list-style-type: none"> • Democratic, electoral and legal services • Scrutiny, member and bilingual services

Our Performance

The Well-being of Future Generations Act requires the Council to publish an annual report of progress against achieving its Wellbeing Objectives. The Local Government and Elections Act also requires the Council to keep performance under review and report on its performance. These performance requirements are discharged through a self-assessment process undertaken twice a year. The Council’s end-of-year self-assessment is titled the Annual Well-being Report, in line with statutory requirements.

Both the Annual Well-being Report and the Mid-Year Self-Assessment draws on a number of sources of intelligence to make judgements about the Council’s performance, including performance against Corporate Plan Commitments, budget monitoring, risk management as well as the judgements of external regulators. The report is formally considered by the Council’s Senior Management Team and Cabinet as well as the Council’s wider political governance, which includes the Policy Review and Performance Committee and the Governance and Audit Committee. The Annual Wellbeing report for 2022/23 was considered by Cabinet and Council in July 2023.

[Wellbeing Report \(cardiff.gov.uk\)](http://cardiff.gov.uk)

Risks and Financial Outlook

We prepare an Annual Governance Statement (AGS) each year, to disclose the findings of our annual review of the Council’s governance. The AGS includes an Action Plan for any significant governance issues identified as part of the review, to be progressed by Senior Management. It is approved by Council in parallel with the Financial Statements and is used for governance reporting and improvement. This is available on the Council’s website at the following address.

Link to be inserted following Council consideration

In preparing the AGS, the Council has adopted the ‘Delivering Good Governance in Local Government’ framework, developed by CIPFA and the Society of Local Authority Chief Executives. It comprises the systems, processes, culture and values through which the Council is directed and controlled and its engagement and work with the community. The AGS is built through core disclosures from Senior Management, and the independent opinions of the Internal Audit Manager and the Governance and Audit Committee.



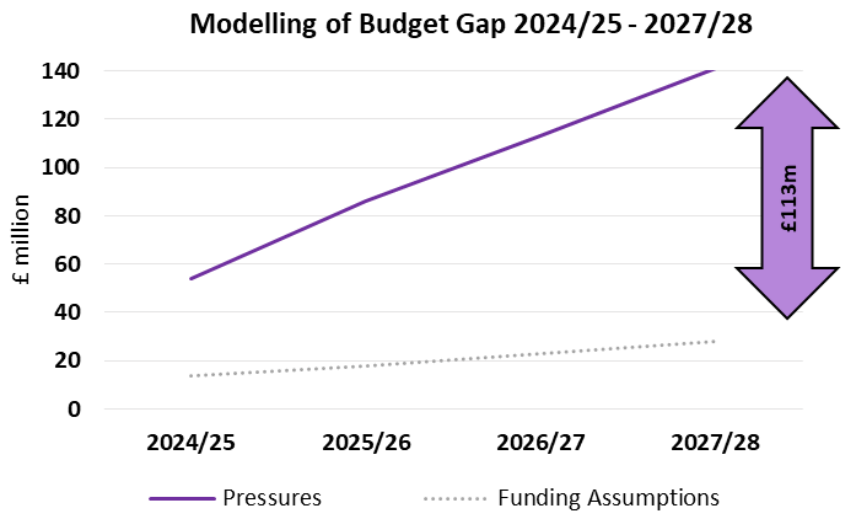
The CIPFA Financial Management (FM) Code, has been adopted by the Council since 2021/22, with a goal to improve the financial resilience of organisations by embedding enhanced standards of financial management. Inevitably, the impact of wider geopolitical and economic factors continued to test that financial resilience in 2022/23 and the medium term. Further details of the Council's approach to compliance with the FM Code will be covered in the AGS identifying both progress during the year as well as future planned actions with associated timescales.

The Council's risk management regime supports the identification, assessment, reporting and management of risks in directorate, corporate, programme and project activities. It involves quarterly risk assessments to support the timely identification and escalation of the Council's most critical risks to Senior Management Team for ownership, mitigation, review and reporting. At 31 March 2023, there are ~~eight~~ nine corporate risks at a 'red' residual risk status i.e., major or significant consequence is likely without further mitigation.

Recycling Performance
Failure to deliver recycling performance to meet statutory recycling performance targets within waste directive. On 26 November, the final validated 2019-20 Local Authority Recovery Target (LART) showed Cardiff achieved a recycling performance of 58.14% compared to the target of 64%.
Ensuring Access
Failure to meet our statutory requirements to provide education to all learners of statutory school age, in particular those with Additional Learning Needs associated with Emotional Health and Wellbeing. Associated safeguarding risks due to vulnerable children not being at school, financial risks due to escalating costs of placements and reputational risk to the Council, evidenced by increasing volume of complaints.
Air Quality
Air quality in Cardiff does not meet statutory requirements set by legislation and continues to have a detrimental impact on health for residents and visitors to Cardiff.
City Security
Major security-related incident in 'crowded places' as a result of international or domestic terrorism.
Climate Change – Biodiversity, Energy Security, Extreme Weather and Flooding
Cardiff is not able to manage the effects of climate change and energy security due to lack of future proofing for key (social and civil) infrastructure and business development.
Coastal Erosion
Breach of current defences resulting in widespread flooding (current defences are ad hoc and are in a very poor condition)
Increase in Demand (Children's Services)
Failure to effectively manage and respond to increasing demand resulting in increase in number of children requiring services and financial pressures this presents.

Welfare Reform
That the Council cannot meet its statutory obligations with the increased demands and reduced budgets placed upon it by the Welfare Reform including: Universal Credit, further reduction in Benefit Cap and size restrictions for social tenants.
Cyber Security
There are 10 areas of potential risk identified within the National Cyber Security Centre cyber risk model. These include: - Architecture and configuration; Vulnerability management; Identity and access management ;Data security https://www.ncsc.gov.uk/collection/10-steps

Budget Gap is the term used to describe the difference between the funding the Council expects to receive, and the estimated cost of continuing to deliver services at the current level. Put simply, the gap is a result of funding failing to keep pace with demand, inflation and other financial pressures. Despite a 9% increase in what the Council received from the Welsh Government Local Government Settlement in 2022/23, a budget gap of £113 million between 2024/25 and 2027/28 was forecast as part of the medium-term financial plan approved in March 2023. This continues to be updated as part of emerging information.



This is due to factors such as employee costs, price inflation, allowance for emerging pressures, paying for capital projects and population demand in areas such as Adult Social Care and Looked after Children.

A range of options were considered in order to address budget gaps in 2022/23 and future years including continuing to review and challenge all directorate budgets for efficiency savings such as staffing, premises costs, external spend, income generation and grant maximisation; service change savings which have an impact on existing service levels; maximising opportunities for digital transformation and to work across directorates and in partnership with other organisations; and considering the level at which it is affordable to continue to subsidise services of a more discretionary nature.

Looking ahead, with increased levels of risk to the delivery of savings targets and demand likely to remain unpredictable as a result of uncertainty, financial resilience risk will need to be managed and monitored closely to ensure financial sustainability. Significant capital expenditure investment is proposed in areas such as new schools; to address the condition of existing assets used in service delivery; to develop new

council housing; economic regeneration and for sustainable travel schemes. The five-year investment plan potentially requires a significant increase in borrowing to pay for investment, the cost implications of which will need to be reviewed as a consequence of increased interest rates on financial models supporting projects and in developing business cases.

Inflation impacts on the Council as a result of pay awards, the energy crisis and wider cost of living challenges are factors requiring ongoing review. This impacts on areas such as utilities, commissioned social care, transport, fuel, the cost of capital projects as well as repair and maintenance costs of assets used in delivering services.

Further details of the Council's budget for 2023/24 and Medium Term are available on the Council's website [Link](#) and include the key documents below:

- Medium Term Financial Plan (MTFP)
- Housing Revenue Account Budget and MTFP
- Capital Strategy
- Treasury Management Strategy
- A financial resilience snapshot which sets out a number of financial indicators and ratios.

Financial Performance 2022/23

The Council's budget for 2022/23 was approved in March 2022. The budget was set against a backdrop of financial uncertainty, significant challenges in funding services, increasing demand for our services, further savings targets to be made and a 1.9% Council Tax increase. A net revenue budget of £743.736 million was approved for 2022/23 as well as a Medium Term Financial Plan based on a rolling four-year period from 2023/24 to 2026/27, ensuring that resources are aligned to outcomes in the Corporate Plan.

Revenue Expenditure and Funding

Revenue expenditure covers the cost of the Council's day-to-day operations and contributions to and from reserves.

Directorate	Net Expenditure Budget	Net Expenditure Outturn	Variance (Under)/Over
	£000	£000	£000
Corporate Management	37,546	29,696	(7,850)
Economic Development	10,104	11,167	1,063
Economic Development - Recycling and Neighbourhood Services	37,224	39,437	2,213
Education & Lifelong Learning	310,413	313,914	3,501
People & Communities - Communities and Housing	48,986	46,082	(2,904)
People & Communities - Performance and Partnerships	3,491	2,964	(527)
People & Communities - Social Services - Children's	81,689	88,285	6,596

People & Communities - Social Services - Adults	133,760	132,229	(1,531)
Planning, Transport and Environment	8,196	8,196	0
Resources - Governance and Legal Services	6,950	7,619	669
Resources	16,964	16,198	(766)
Directorate Outturn Subtotal	695,323	695,787	464
Capital Financing	34,309	31,020	(3,289)
General Contingency	2,000	0	(2,000)
Summary Revenue Account inc. Council Tax collection and NDR refunds and Discretionary Relief	12,114	16,939	4,825
Total Council Outturn	743,746	743,746	0

The Council contained its spending within the £743.746 million budget approved for the year, after transfers to and from earmarked reserves. The directorate position reflected a net overspend of £464,000 and overspends against the Summary Revenue Account were offset by the general contingency and capital financing budget as well as a better than anticipated position on Council Tax collection. The overall position improved throughout the year, largely due to release of contingencies, reduction in spending and the receipt of additional external grant funding. This also allowed a further increase in non- schools Earmarked Reserves, which will support the Council in the financial challenges arising from increasing demand and cost inflation.

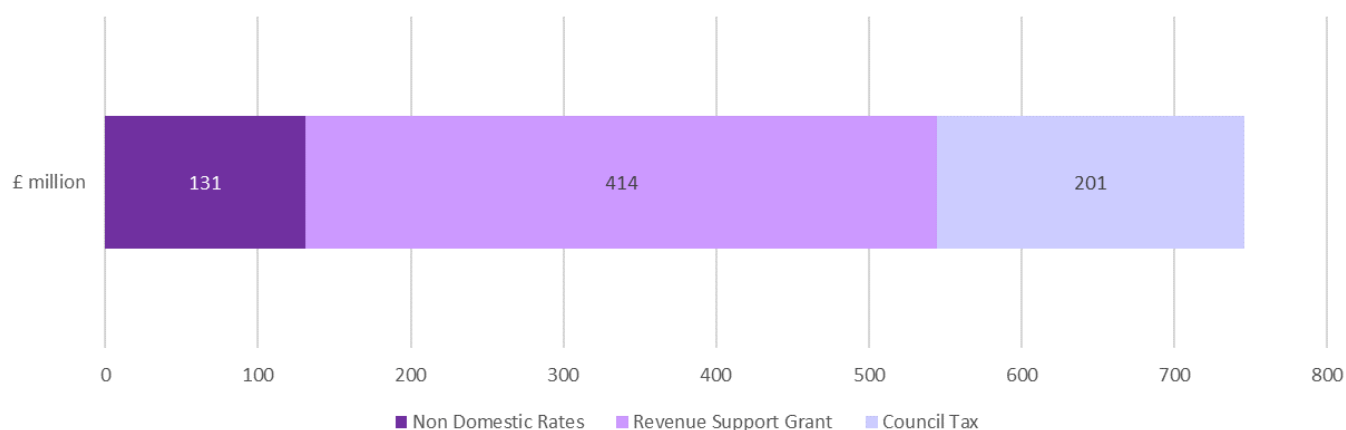
Non-Domestic Rates (NDR) are collected by the Council for Welsh Government based on the value of buildings used in business or for non-domestic purposes and a rate is set annually. The net NDR collectable by Cardiff for 2022/23 totalled £197.199 million of which Cardiff received £131.182 million after redistribution by Welsh Government. The in-year collection rate was 93.51% (95.11% in 2021/22).

All Wales collection statistics can be found using this link [Non-domestic rates \(gov.wales\)](#)

Revenue Support Grant of £413.544 million from Welsh Government was received in the year. Council Tax collected by the Council includes precepts for the police and community councils and where applicable was passed onto the relevant bodies. Council Tax income retained by the Council of £201.458 million funds just over a quarter of the Council's net expenditure. The in-year collection rate was 96.18% (96.00% in 2021/22).

All Wales collection statistics can be found using this link [Council Tax \(gov.wales\)](#)

How the Revenue budget was paid for



Housing Revenue Account (HRA)

The Housing Revenue Account is a ring-fenced account shown within the Housing and Communities directorate. It includes income from rents and expenditure on managing the housing stock and related services:

Income including rent and charges for services totalled £94.991 million. Revenue expenditure included repairs and maintenance, supervision and management and capital financing costs, including interest, provision for the repayment of debt and towards capital expenditure. The Housing Revenue Account reported a balanced position for 2022/23 after a transfer to earmarked reserves of £1.833 million. Factors resulting in the surplus included a reduced spend on repairs and maintenance, underspend on void property repairs, lower capital financing costs reflecting the timing of capital investment and delays in recruitment of staff.

Capital Expenditure and Funding by the Council

Capital investment forms a large part of our spending. The Council has an ambitious capital programme to deliver projects that are fundamental to the Council achieving its aspirations and to re-shape how we deliver our services. Capital spending during the year totalled £216.2 million.

Schemes	Detail	£m
Business and City Development	Town Centre Loans: acquisition of regeneration sites at international sports village, Indoor Arena enabling land acquisitions and Llanrumney sports complex grant.	13.3
Parks, Leisure and Venues	Parks play areas, open space and infrastructure; Leisure and venues buildings maintenance; Roath Park dam scheme design, Pentwyn Leisure Centre Design and Harbour asset renewal.	4.5
Education & Lifelong Learning	21st Century schools Band B including new Fitzalan High School construction. investment in the condition and suitability of school buildings and ICT.	61.0
Neighbourhood Regeneration and Private Housing	Disabled adaptation grants, allowing people to live independently in their homes; environmental and shop front improvements at Tudor Street, Rhiwbina Hub estate environmental improvements, Splott Park 3G Pitch and	12.1

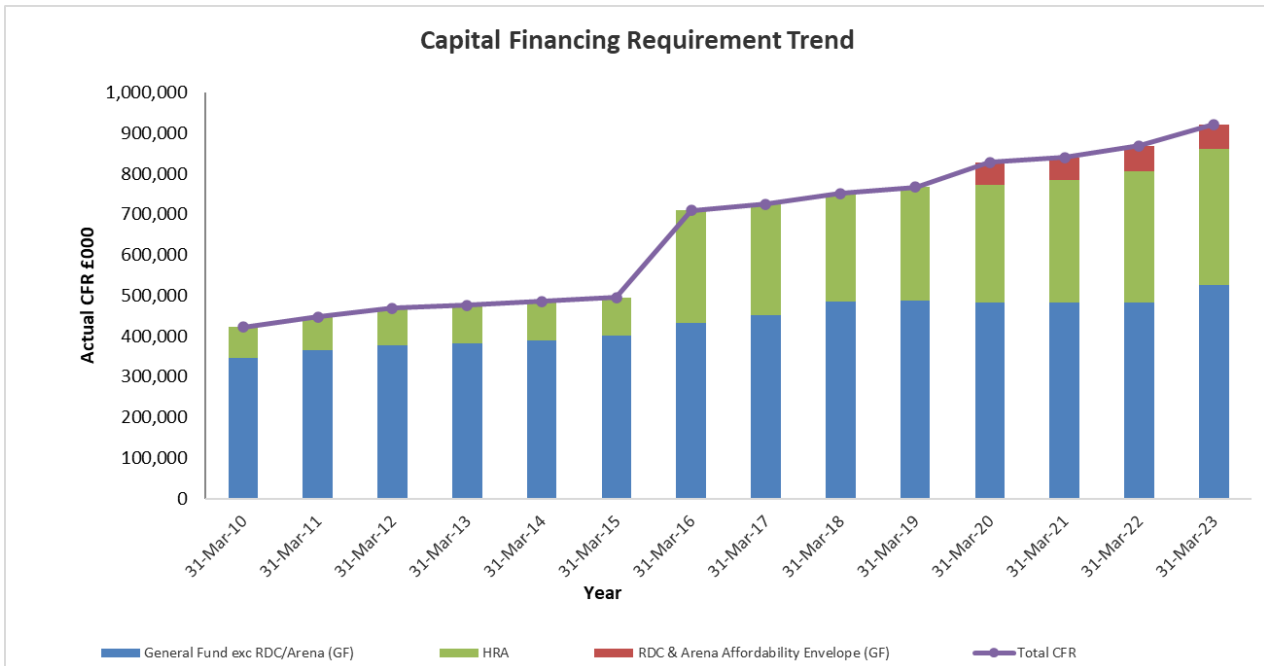
	neighbourhood regeneration schemes, acquisition of property on Cowbridge Road West for Youth Hub options.	
Highways & Transportation	Road and footpath resurfacing; LED lighting in residential areas; Coastal erosion and flood mitigation; public transport and road safety improvements; cycling strategy implementation; investment in active travel and safe routes in communities; city centre air quality measures including Wood Street and Canal Quarter.	32.8
Corporate, Technology and Vehicles	Works to relinquish leased buildings; Modernising ICT; Replacement vehicle fleet including electric refuse collection vehicles and charging points.	7.7
Energy Projects and Sustainability	Energy retrofit of buildings and contribution to Cardiff Heat Network.	4.6
Public Housing	Disabled adaptations; estate regeneration; investment in existing stock condition; acquisition of land and existing dwellings from the private market; construction of new dwellings.	76.3
Other	Recycling depot infrastructure, Bereavement, Property and Asset Management, Investment Property Strategy.	3.9
Total		216.2

Capital spending must be paid for, and the table below highlights the various sources of capital funding for 2022/23. Sources of capital expenditure funding include grants from Welsh Government and other public bodies including the Major Repair Allowance and General Capital grant, capital receipts i.e. proceeds from the sale of Council assets, external contributions from developers and the Council's own revenue budget or Earmarked Reserves previously put aside towards capital schemes.

Where the previous sources of funding are not available, expenditure can only be paid for by the Council increasing its commitment to undertaking borrowing to pay for capital expenditure. Borrowing repayment and any associated interest costs must ultimately be repaid over a prudent period of time from existing budgets and future income. This may be from existing revenue budgets, future increases in Council Tax or Rent, future Revenue Grant or additional income, the latter often being categorised as 'Invest to Save'.

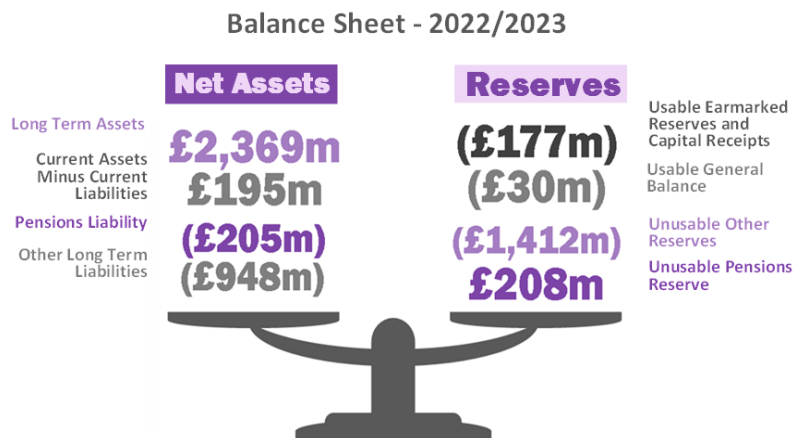
Funding Source	2022/23 Actual	% of funding
	£000	%
Welsh Government and other external Grants	103,356	47.80
Major Repairs Allowance (WG Grant)	9,568	4.43
General Capital Funding (WG Grant)	6,135	2.84
Invest to Save Unsupported Borrowing	38,914	18.00
Additional Unsupported Borrowing	32,051	14.81
Supported Borrowing	8,901	4.12
Capital Receipts	10,379	4.80
Revenue /Reserves	3,995	1.85
External contributions	2,909	1.35
Total	216,208	

Capital expenditure incurred historically by borrowing, but yet to be paid for from future revenue or capital income is termed the Capital Financing Requirement (CFR). The historic trend is shown in the next chart.




In 2015/16 additional borrowing was taken by the Council and paid to HM Treasury to exit the HRA subsidy system. The CFR and associated financing costs, interest and repayment, of capital investment are to increase significantly in future years, with the Council's Capital and Treasury Management Strategies setting out a range of indicators for affordability, prudence and sustainability of the Council's capital investment plans. Each year, an amount deemed prudent is charged to our revenue budgets to reduce the CFR.

Financial Position



Balance Sheet - 2021/2022

Net Assets		Reserves	
Long Term Assets	£2,239m	(£175m)	Usable Earmarked Reserves and Capital Receipts
Current Assets Minus Current Liabilities	£213m	(£30m)	Usable General Balance
Pensions Liability	(£853m)	(£1,330m)	Unusable Other Reserves
Other Long Term Liabilities	(£919m)	£855m	Unusable Pensions Reserve



Property, Plant, Equipment and Other Non-Current Assets

The valuation of assets involves a number of assumptions; however, movements in asset valuations as well as any accounting charges such as depreciation have no impact on the council tax or rent payable, as they are required to be reversed from unusable reserves.

Note 14 details movements in assets, capital expenditure and its financing:

- capital receipts from the disposal of property assets and similar income was £10.234 million
- as part of the Council's rolling programme, revaluations took place during the year for investment properties, heritage assets including antiquarian books for the first time and surplus assets. This is part of a shortened cycle of revaluations rather than the 5 year period recommended in guidance for valuations which are required solely for accounting purposes. This supports us to ensure the values recorded in the accounts reflect the significant numbers of assumptions, variables and market conditions, where relevant, that impact on such data over a reasonable and planned time frame.

An assessment across all Council buildings in Cardiff has been undertaken to identify if any Reinforced Autoclaved Aerated Concrete (RAAC) was used in the construction of school buildings or any part of the school premises since. Experienced H&S and Asbestos Officers who are familiar with building construction techniques and materials undertook the assessment programme to establish whether RAAC was used/present within the fabric of the building. Following the assessment programme. The only property where RAAC has been identified is in St David's Hall, which was the subject of report considered by the Cabinet in July 2023. The property is closed pending confirmation of a investment strategy. Where significant asset condition or utilisation issues have been identified in the year, updated valuations have been sought, with any impairment in valuation included in the accounts. These valuations are for accounting purposes only.

Financial Assets and Liabilities

Treasury Investment and borrowing activities were undertaken in accordance with regulatory requirements and the Council's Treasury Management Strategy for 2022/23. Investments for treasury management purposes and cash is £156.901million at 31 March 2023 and is primarily represented by temporary cash balances deposited with financial institutions. The average rate of interest earned for the year was 1.74%.

The Council borrows money to manage its daily cash flows and to pay for capital expenditure. In accordance with the Treasury Management Strategy, borrowing is undertaken to manage the capital financing requirement. The net change in external borrowing during the year was a decrease of £482,000. Note 15 of the accounts provides further information on the Council's financial assets and liabilities and the nature and extent of risks involved.

In order to combat inflation, the Bank of England Bank Rate increased from 0.75% at the start of the year to 4.25% by the year end. The Council sources the majority of its borrowing needs from the Public Works Loan Board and borrowing interest rates have risen significantly as a result of the economic background in the UK, future inflation forecasts and wider factors such as the overall level of national debt. Whilst this has little financial impact on the Council in the very short term given that all the Council's external borrowing is at fixed interest rates, it will impact on future borrowing that the Council will need to undertake to meet commitments, if rates remain elevated.

Provisions

The Council sets aside money for liabilities or losses which are likely to be incurred, but where the exact amount and timing of payment may be uncertain. This includes insurance claims received as well as for landfill aftercare. During 2022/23, total provisions decreased by £1.187 million to £27.815 million. Details of the movement of individual provisions are shown in note 21 of the accounts.

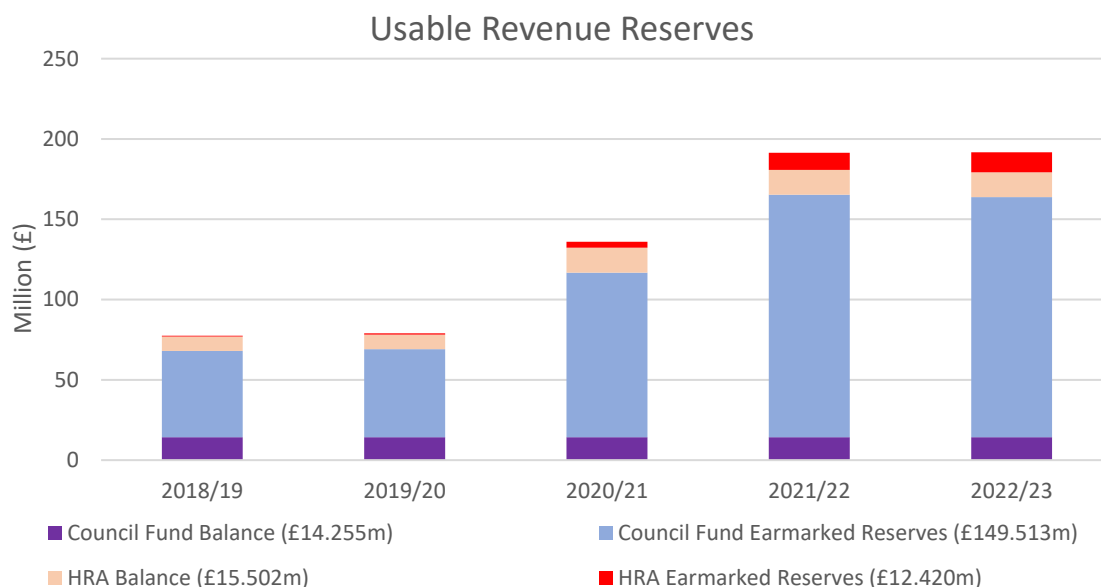
Pensions Liabilities

The Council's participation in all pension schemes is shown in note 13 of the accounts:

- The cost to the Council during the year for pension liabilities is £53.183 million.
- The Council's future liability in respect of pension benefits payable, compared to assets held, is £205.809 million at 31 March 2023. This is based on the latest actuarial assumptions, resulting in a decrease of £647.196 million from 2021/22. The assumptions are detailed in Note 13.2 -Table entitled Basis for estimating Assets and Liabilities, with the main factor being changes in forecast interest rates.
- The Local Government Pension Scheme is revalued every three years, with the fund's assets at 31 March 2022 deemed to cover 98% of future liabilities. A 14 year recovery plan is in place in order to meet the shortfall.

Balances and Reserves

Balances and Reserves are sums of money put aside for specific policy purposes or for general contingencies and cash flow management. The use of reserves, creation of new reserves and assessment of their sufficiency also considers risks to financial resilience. The council has been in a position in recent years to be able to increase the level of earmarked reserves to improve the Council's overall level of financial resilience. This is shown in the chart below along with the values for 31 March 2023. Earmarked revenue and other usable reserves are detailed in note 25 of the accounts whilst unusable reserves are shown in note 26.



Financial Statements

The Statement of Accounts are set out in this document, accompanied by a Statement of Responsibilities for the financial statements and the Audit Report. The single entity statements are also defined as including the income, expenditure, assets, liabilities, reserves and cash flows of the local authority maintained schools in England and Wales within the control of the local authority.

The core statements are:

- The Comprehensive Income and Expenditure Statement records all of the Council's income and expenditure for the year. The top half of the statement provides an analysis by directorate. The bottom half of the statement deals with corporate transactions and funding.
- The Movement in Reserves Statement is a summary of the changes to our reserves over the course of the year. Reserves are divided into 'usable', which can be invested in capital projects or service improvements and 'unusable', which must be set aside for specific purposes.
- The Balance Sheet is a 'snap shot' of the Council's assets, liabilities, cash balances and reserves at the year-end date.
- The Cash Flow Statement shows the reasons for changes in the council's cash balances during the year and whether that change is due to operating activities, new investment or financing activities.

The supplementary statements are:

- The Housing Revenue Account separately identifies the Council's statutory landlord function as a provider of social housing under the Local Government and Housing Act 1989.
- Group Accounts combine the Council's own financial statements with its material interests in subsidiaries, associates and/or joint ventures, in this Council's case, Cardiff City Transport Services Ltd.
- Other statements for regulatory purposes include Trust Funds and Cardiff Harbour Authority.

Conclusions

I am grateful for the work of the finance team in supporting directorates and for all officers who facilitate the transparency of our financial transactions set out in these statements. The Governance and Audit Committee and Audit Wales also have a key role in the challenge and independent review of these statements. These accounts are not just prepared to meet compliance with requirements but are an important source of information on the council's financial position and performance. Preparing these statements will be more challenging in future years due to the ambitious change agenda, additional accounting and reporting requirements and consequential audit impacts.

This year was set against continuing uncertainty and risk arising from the post pandemic recovery, increases in costs and geo-political issues. Despite in year pressures, the Council was able to remain within its net revenue budget set for 2022/23. Demand for all Council services continues to increase with significant inflationary impacts on the Council as well as residents of the city during a cost of living crisis. These pressures represent a significant challenge to the Council's ambitious agenda. A challenge which requires difficult choices to be made and a focus on working with our partners to deliver key priorities in order to remain financially sustainable and able to support the most vulnerable into the medium and longer term.

Christopher Lee
Corporate Director Resources and Section 151 Officer



Statement of Responsibilities for the Financial Statements



CRYFACH
TECACH
GWYRDDACH

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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 has the responsibility for the administration of those affairs. In 2022/23 that officer was Christopher Lee, Corporate Director Resources who holds the statutory post of Section 151 Officer;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- approve the statement of accounts.

Councillor Bablin Molik
Lord Mayor

Date:

The Corporate Director Resources responsibilities

The Corporate Director Resources is responsible for the preparation of the Council's financial statements in accordance with proper practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code).

In preparing these financial statements, the Corporate Director Resources has:

- selected suitable accounting policies and then applied them consistently, except where policy changes have been noted in these accounts.
- made judgements and estimates that were reasonable and prudent; and complied with the Code.

The Corporate Director Resources has also:

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

The Corporate Director Resources Certificate

The financial statements for the Council give a true and fair view of its income and expenditure for the financial year 2022/23 and financial position of the Council at 31 March 2023.

Christopher Lee
Corporate Director Resources

Date:

The Independent Auditor's Report of the Auditor General for Wales to the Members of the County Council of the City and County of Cardiff

Opinion on financial statements

I have audited the financial statements of:

- the County Council of the City and County of Cardiff; and
- the County Council of the City and County of Cardiff Group

for the year ended 31 March 2023 under the Public Audit (Wales) Act 2004.

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

The County Council of the City and County of Cardiff's Group financial statements comprise the Group Movement in Reserves Statement, the Group Comprehensive Income and Expenditure Statement, the Group Balance Sheet, the Group Cash Flow Statement and the related notes, including the significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23.

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

- give a true and fair view of the financial position of the County Council of the City and County of Cardiff and the County Council of the City and County of Cardiff's Group as at 31 March 2023 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23.

Basis of opinion

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

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

Conclusions relating to going concern

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

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

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

Other Information

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

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

I have nothing to report in this regard.

Opinion on other matters

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

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23;
- The information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Council and the group and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

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

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

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, including the County Council of the City and County of Cardiff Group financial statements, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the County Council of the City and County of Cardiff Group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of

accounting unless the responsible financial officer anticipates that the services provided by the County Council of the City and County of Cardiff Group will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

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

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

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

My procedures included the following:

- enquiring of management, the County Council of the City and County of Cardiff's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the County Council of the City and County of Cardiff's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals;
- obtaining an understanding of County Council of the City and County of Cardiff's framework of authority as well as other legal and regulatory frameworks that Cardiff Council operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Cardiff Council; and
- obtaining an understanding of related party relationships.

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

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

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

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

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

Other auditor's responsibilities

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

Certificate of completion of audit

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

Adrian Crompton
Auditor General for Wales

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ



Accounting Policies, Critical Judgements and Assumptions



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Accounting policies used when formulating the accounts

The Statement of Accounts summarises the Council's income and expenditure for the year ended 31 March 2023 and its financial position at that date. The accounts are prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code).

The accounts have been prepared on a going concern basis. The accounting convention adopted is principally historic cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

1. Accounting Standards issued but not yet adopted

International Financial Reporting Standard 16 – Leases was adopted in the 2022/23 Code. Following a consultation with local authorities and auditors, the timescale for required adoption has been pushed back to the financial year beginning 1 April 2024 or earlier if deemed possible. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for most leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

Whilst this is expected to have no impact on the Council Tax or Rent payer, work has continued during 2022/23 to ensure significant lease type arrangements in respect of property and vehicles are identified and recorded. This includes a review of existing and creation of new processes for managing and recording lease arrangements.

2. Accruals of Income and Expenditure

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

- 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.
- supplies are recorded as expenditure when they are consumed
- services received are recorded as expenditure when the services are received, rather than when the payments are made
- there is a de minimis threshold of £500, under which income and expenditure may not be accrued
- 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 debtors are not considered to be collectable the balance is reduced by a provision for doubtful debt.

3. *Assets Held for Sale*

When it becomes probable that the carrying amount of an asset will be recovered, principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale if it meets the following criteria:

- be available for immediate sale in its present condition
- sale must be highly probable
- be actively marketed or have identified prospective purchasers
- the sale expected to be completed within one year.

The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where this results in a loss, this is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale. Regular reviews are undertaken as to whether assets still meet the criteria for Assets Held for Sale and where this is not the case they are reclassified and revalued in accordance with the appropriate class.

4. *Cash and Cash Equivalents*

Cash is represented by cash in hand, the net balance on all of the Council's bank accounts including balances of cheque book schools. It includes deposits with financial institutions that are repayable on notice of not more than 24 hours without significant penalty. It also includes investments maturing and interest received on the first working day of April.

5. *Contingent Assets and Liabilities*

These are potential benefits or obligations that arise from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Council's control. Contingent assets and liabilities are not recognised in the accounting statements but are disclosed in the notes to the accounts where deemed material.

6. *Deferred Liabilities*

Where the Council receives income in advance from developers and other organisations in respect of revenue expenditure, such as the future maintenance of assets, the amounts are held in the Balance Sheet as deferred liabilities until such time that the expenditure takes place.

7. *Disposals and Capital Receipts*

When assets are disposed of or decommissioned, the value of those assets included in the Balance Sheet along with any proceeds from disposal are used to calculate a gain or loss on disposal.

Disposals greater than £10,000 are treated as capital receipts and are credited to the Capital Receipts Reserve.

8. *Employee Benefits*

Benefits Payable during Employment

Short-term employee benefits such as wages and salaries, paid annual leave, sick leave and expenses are paid on a monthly basis and reflected as expenditure on an accruals basis in the relevant service line in the Comprehensive Income and Expenditure Statement.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy, and are charged on an accruals basis to the Comprehensive Income and Expenditure Statement.

Post-Employment Benefits

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

- the Teachers' Pension Scheme, administered by the Teachers Pensions Agency
- the Local Government Pension Scheme, via membership of the Cardiff and Vale of Glamorgan Pension Fund administered by the Council.

The Council is also the principal employer and sole statutory employer of the Cardiff City Transport Services Pension Schemes.

The Council accounts for pension costs in the main accounting statements in accordance with International Accounting Standard 19 (IAS19). This requires recognition of the fact that although retirement benefits are not actually payable until an employee retires, the Council's commitment to make those payments arises at the time that employees earn their future entitlements. Accounting treatment depends on whether they are in respect of a defined benefit scheme or a defined contribution scheme.

Defined Contribution Schemes

Centralised arrangements for the Teachers' Pension Scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Council and is therefore accounted for as if it were a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet. Cardiff City Transport Services has a defined contribution scheme which carries a guaranteed minimum return for its members, which is closed to new members. The assets and liabilities of the scheme is shown in the Balance Sheet.

Defined Benefit Schemes

The Cardiff and Vale of Glamorgan Pension Fund is a defined benefit scheme. There is also a Cardiff Transport Services Defined Benefit Scheme which is closed to new members. The net pension liability, which represents the Council's attributable share of the Pension Fund's assets and liabilities, is shown in the Balance Sheet where:

- liabilities for the scheme attributable to the Council are included on an actuarial basis using the projected unit method (an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates and projections earnings for current employees)
- assets of the scheme attributable to the Council are included at their fair value:

- quoted and unitised securities – current bid price
- unquoted securities – professional estimate
- property – market value.

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

- current service costs: increase in the liability as a result of pension earned by employees in the year is charged to net cost of services.
- past service costs: increase in the liability arising from current year decisions which affect pension earned by employees in earlier years is charged to Corporate Management.
- gains/losses on settlements and curtailments: result of actions to relieve the Council of liabilities or events that reduce expected future service or accrual of benefits are charged to Corporate Management.
- net interest on the net defined benefit liability: net interest expense for the period that arises from the passage of time and is shown within the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement.
- re-measurements: return on plan assets (excluding amounts included in net interest) and actuarial gains/losses as a result of updated actuarial assumptions. These are both charged to the Pensions Reserve as Other Income and Expenditure.

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

9. *Financial Assets*

Financial assets are classified based on a classification and measurement approach that reflects the Council's business model for holding financial assets and their cash flow characteristics.

There are three main classes of financial assets measured at:

- amortised cost - Achieve objectives by collecting contractual cash flows e.g. principal and interest
- fair value through profit or loss (FVPL) - Achieve objectives by both collecting contractual cash flows and selling assets
- fair value through other comprehensive income (FVOCI) - Achieve objectives by any other means than collecting contractual cash flows and where the Council has designated that this is the case.

In terms of value of financial assets recognised in the accounts, the authority's primary business model is to hold investments to collect contractual cash flows, however loans and equity instruments may be provided as capital expenditure in the approved Capital Programme to achieve service objectives. Depending on the rationale for holding such financial assets, primarily equity, the Council may designate such items to be measured at fair value through other comprehensive income.

Fair value measurement techniques are defined within the final section of this policy.

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument in accordance with any investment or loan agreement. The amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest).

Any gains or losses that arise on derecognition of an asset are credited/debited to the CIES.

Expected Credit Loss Model

Impairment losses are calculated to reflect the expectation that future cash flows might not take place because the borrower could default on their obligations. Such a review would take place on an individual financial asset or collective basis, based on materiality and cost benefit of individual assessment.

The Council undertakes a review of expected credit losses on all financial assets held at amortised cost either on a 12-month or lifetime basis. Where provision for such losses is not already undertaken e.g. as part of a provision for bad debts, adjustments to the value of financial assets disclosed in the accounts would be made. Credit risk plays a crucial part in assessing expected credit loss. Where risk has increased significantly since a financial asset was initially recognised, provision for losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, provision for losses are assessed on the basis of 12-month expected loss.

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

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

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

Financial Assets Measured at Fair Value through other comprehensive income (FVOCI)

Financial assets that are measured as FVOCI are initially measured and carried at fair value on the Balance Sheet. Treating such assets under this category will require a 'Designation' by the Council. These are likely to be equity holdings held as part of a service objective.

Fair value gains and losses are recognised in Other Comprehensive Income and the change in the amount of the investment in the balance sheet is matched with an entry in the Financial Instruments Revaluation Reserve.

Upon derecognition, any balance on the Financial Instruments Revaluation Reserve is recycled through the Surplus or Deficit on the Provision of Services.

Fair Value Measurement of Financial Assets

Fair value measurements for the above financial asset classes measured at fair value are based on the following techniques:

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

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

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

10. *Financial Liabilities*

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument. They are initially measured at fair value and carried at their amortised cost. Annual charges to the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. Interest that is due but is unpaid at the end of the year is recognised in the Balance Sheet as a current liability.

Where a fair value price which is paid to transfer a liability, is estimated and disclosed, inputs to the valuation techniques used to determine fair value are attributed to the same levels as stated under the Financial Assets accounting policy.

Transaction costs, such as brokers' fees and commission in relation to managing the Council's Financial Instruments, which are not considered material, are charged immediately to the Comprehensive Income and Expenditure Statement.

11. *Grants and Contributions*

Grants and other contributions are accounted for on an accruals basis and recognised when:

- there is reasonable assurance that the Council will comply with the conditions for their receipt and
- there is reasonable assurance that the grant or contribution will be received.

Revenue

Grants, for which conditions have not yet been satisfied, are carried in the Balance Sheet as Revenue Grants Receipts in Advance. When conditions have been satisfied, the grant or contribution is credited to the relevant service line (specific revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-specific revenue grants) in the Comprehensive Income and Expenditure Statement. Where there is no longer any reasonable assurance that the conditions will be met, sums received will not be recognised as a receipt of grant but as a repayment due to the awarding body and held on the Balance Sheet as a liability if it remains unpaid.

Where the conditions of a revenue grant or contribution have been complied with but it is yet to be used to fund expenditure for the purpose stipulated in the grant agreement, it is set aside in an Earmarked Reserve.

Capital

Grants and contributions that are applied in the year to fund capital schemes that are Revenue Expenditure Funded by Capital under Statute (REFCUS) are treated as revenue income and credited to the Comprehensive Income and Expenditure Statement to the relevant service line.

Capital Grants and Contributions applied in paying for other capital works are credited to the Taxation and Non-Specific Grant Income line in the Comprehensive Income and Expenditure Statement. Where a specific capital grant or contribution has been received but remains unapplied, this is shown as a creditor, as the unused element could be returned to the funder. Where a non-specific grant such as the General Capital Grant or Major Repair Allowance were to remain unapplied, it would be held as Capital Grants Unapplied Reserve.

Capital grants and contributions are identified separately on the Balance Sheet.

12. *Heritage Assets*

The Council recognises heritage assets where it may have incurred separately identifiable expenditure on their acquisition or preservation or where it has information on the value of the asset.

Heritage assets are included at historic cost if included in the accounts and only measured at fair value where the benefits of doing so outweigh the costs. No depreciation charge is made on heritage assets.

The unique nature of heritage assets makes reliable valuations complex. These difficulties are recognised by the Code and therefore many individual assets are not recorded in the accounts, but additional narrative disclosures are made about the nature and scale of such assets within the notes to the accounts. A valuation is undertaken every 3 years by an external expert for insurance purposes. A valuation of paintings, artefacts, civic regalia and antiquarian books took place during 2022/23.

13. *Intangible Non-Current Assets*

Expenditure on assets that do not have physical substance but are identifiable and controlled by the Council is capitalised. In the case of computer software and licences, this will be capitalised where it relates to the enhancement or development of systems, expenditure on which is deemed to generate long-term economic benefits to the Council in the form of savings and improvements in service delivery. Intangible assets are included in the Balance Sheet at historic cost net of amortisation and are reviewed for impairment and re-valued only where they have a readily ascertainable market value.

The assets are amortised to the relevant service line over the economic life of the investment initially set between 3-7 years, and reversed in the Movement in Reserves Statement via transfer to the Capital Adjustment Account. Once intangible assets are fully amortised, they are reviewed in terms of materiality and if necessary, disposed of with the carrying value removed from the asset register.

Gains or losses arising from disposal are recognised in the surplus or deficit on the provision of services.

14. *Interests in Companies and Other Entities*

The Council has interests in companies and other entities. Subject to the level of materiality and exposure to risk, these are consolidated to produce Group Accounts.

15. *Inventories*

Inventories are measured and held at the lower of cost or net realisable value. When such inventories are sold, exchanged or distributed, the carrying amount is recognised as expenditure.

The balance of inventories that have been donated rather than purchased are held in the Donated Inventory Account.

16. *Investment Property*

Investment properties are those held solely to earn rentals and/or for capital appreciation such as; ground leases, land held for future development as strategic sites and other land and buildings that meet investment property criteria.

Investment properties are measured at fair value, based on the market value that would be received to sell an asset in an orderly transaction between market participants at the measurement date, reflecting the asset's highest and best use. A valuation is completed every year, the most recent of which was undertaken by Jones Lang LaSalle in 2022/23.

Investment properties are not depreciated. Gains and losses on revaluation and disposal in addition to rentals received are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. However, revaluation and disposal gains and losses are not permitted to have an impact on the Council Fund Balance and are therefore reversed out of the Council Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account.

17. *Joint Committees*

Subject to materiality and exposure to risk, the relevant proportion of Joint Committees are included within the Council's accounts reflecting the transactions and balances for those Joint Committees. Where information is unavailable, prior year balances are included.

18. *Leases*

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards, incidental to ownership, of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

The Council as Lessee

Finance Leases

For plant and equipment, the Council has set a de-minimis level of £75,000 for leases to be recognised as finance leases. The Council does not recognise any leases of this type.

Operating Leases

Payments for operating leases are charged to the relevant service line on an accruals basis.

The Council as Lessor

Finance Leases

The Council does not recognise any leases of this type.

Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Comprehensive Income and Expenditure Statement.

19. Local Authority Maintained Schools

The Code confirms that the balance of control for local authority maintained schools (i.e. those categories of school identified in the School Standards and Framework Act 1998, as amended) lies with the local authority. The Code also stipulates that those schools' assets, liabilities, reserves and cash flows are recognised in the local authority financial statements. Therefore schools' transactions, cash flows and balances are recognised in each of the financial statements of the authority as if they were the transactions, cash flows and balances of the authority.

20. Property, Plant, Equipment

These assets are those that have physical substance used in the production or supply of goods or services, those intended to be held indefinitely, those used for the promotion of culture and knowledge and those expected to be used during more than one financial year.

Recognition

Expenditure on the acquisition, creation or enhancement of such assets is capitalised on an accruals basis. All expenditure incurred on existing assets is assumed to result in enhancement of the asset and will be shown in the accounts as an addition to the asset.

Expenditure that maintains but does not add to an asset's potential to deliver benefits or service potential (i.e. repairs and maintenance) is charged to revenue as it is incurred.

The Council has a de-minimis policy of £1,000 with regards to capitalisation of expenditure in connection with Council dwellings.

Once assets have fully depreciated, they are reviewed in terms of materiality and if necessary, disposed of with the carrying value removed from the asset register.

Measurement

Assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the specific asset into working condition for its intended use, excluding borrowing costs which are not capitalised. A full year's depreciation is charged on capital expenditure incurred in the year. No depreciation is charged in the year of disposal. Assets are subsequently carried on the balance sheet as per the following:

Asset Type	Measurement	Valuation Frequency	Last Valuation	Surveyor for Last Valuation	Next Valuation	Depreciation*
Assets under Construction	Depreciated Historical Cost	n/a	n/a	n/a	n/a	n/a
Community Assets	Depreciated Historical Cost	n/a	n/a	n/a	n/a	n/a
Council Dwellings	Existing Use Value for Social Housing	Every 2 years	2021/22	Savills	2023/24	Land: n/a Buildings: 50 years
Infrastructure	Depreciated Historical Cost	n/a	n/a	n/a	n/a	7-120 years**
Other Operational Land & Buildings	Existing Use Value or Depreciated Replacement Cost if specialist nature without market-based evidence	Every 3 years	2021/22	Cooke & Arkwright	2024/25	Land: n/a Buildings: 1-100 years
School Assets	Detailed Depreciated Replacement Cost (Modern Equivalent Asset)	Every 3 years	2021/22	Cooke & Arkwright	2024/25	Land: n/a Buildings: 2-50 years
Surplus Assets	Fair Value	Every year	2022/23	Jones Lang LaSalle	2023/24	n/a
Vehicles, Plant, Furniture & Equipment	Depreciated Historical Cost	n/a	n/a	n/a	n/a	5-20 years

* Calculated on a straight-line basis over the below estimated useful lives, unless there is not a determinable finite useful life.

** Included within Infrastructure is the Cardiff Bay Barrage, which is being depreciated over the design life of 120 years.

Revaluations

Council dwellings, other land and buildings including schools, are required to be valued periodically. The valuations consider not only cost variables but a number of other essential variables such as condition and changes in use. Asset valuations take place with an effective date at 1 April or 31 March where a full professional valuation of a full class of assets indicates that there may be a material change at the final balance sheet position.

The Council must balance the requirement to ensure carrying amounts are not materially different from their fair or current value at the year-end, with the time, costs and resources involved in providing valuation services for accountancy purposes. It does this by:

- undertaking an annual impairment review of property with the Council's in-house valuation team to identify significant changes,

- using the experience and local knowledge of the in-house valuation team to provide or source any external valuation services. This ensures finance are made aware of all property issues affecting the Council,
- having an agreed rolling revaluation programme which is significantly shorter than the minimum 5 year cycle required by the Code in order to ensure there is sufficient, regular and consistent coverage of all classes of assets and valuation changes are averaged out at least over a three year period.

Revaluations of the Council's property assets are undertaken on a minimum three yearly rolling programme basis, or where there is a major refurbishment of an asset, a new valuation will be sought in the year of completion and a revision is made to the useful life. It should be noted that revaluation movements are an accounting exercise only and do not impact on the financial performance of the Council, including where such assets are continued to be intended to be held for service delivery purposes.

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 and Downward Revaluation

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired in value, either due to a significant reduction in service potential or significant permanent market value reduction. Where a material change in value is identified, the accounting treatment is 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
- thereafter, or if there is no balance in the Revaluation Reserve, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

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

Component Accounting

Where a single asset may have a number of different components, each having a different useful life, three factors are taken into account to determine whether a separate valuation of components is to be recognised in the accounts in order to provide an accurate figure for depreciation.

These factors are:

- materiality with regards to the Council's financial statements. Componentisation will only be considered for individual non-land assets that have a net book value of more than £1.5 million at the end of the financial year
- significance of component. For individual assets meeting the above threshold, where services within a building (boilers/heating/lighting/ventilation etc.), or items of fixed equipment (kitchens/cupboards) is a material component of the cost of that asset (>30%), then those services/equipment will be valued separately on a component basis

- difference in rate or method of depreciation compared to the overall asset. Only those elements that normally depreciate at a significantly different rate from the non-land element as a whole, or that require a different method of depreciation will be identified for componentisation.

Assets that do not meet the tests above can be disregarded for componentisation on the basis that any adjustment to depreciation charges would not result in a material misstatement in the accounts.

21. Provisions

Provisions are charged as expenditure to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation, 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, which is held on the Balance Sheet. Provisions are reviewed at the end of each financial year and where no longer required are credited back to the relevant service line.

22. Revenue Expenditure Funded from Capital under Statute (REFCUS)

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

23. Reserves

The Council sets aside useable reserves for future policy purposes or to cover contingencies. Certain reserves are unusable and are maintained to manage the accounting processes for non-current assets, financial instruments, and retirement and employee benefits. These do not represent usable resources for the Council and there are no net impacts on council tax or rent.

24. Value Added Tax (VAT)

VAT payable is excluded from expenditure except where it is not recoverable from HMRC. VAT receivable is excluded from income.

Critical Judgements and Assumptions

Critical judgements in applying accounting policies

Accounting policies are only applied to material Council transactions. In applying policies, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

Accounting policies are only applied to material Council transactions. In applying policies, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- there remains a degree of uncertainty about future levels of income and expenditure for the Council and its subsidiaries. However, the Council has determined that this uncertainty is not an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision.
- in 2014/15, CIPFA clarified the requirements for recognising schools property on Council Balance sheets. This highlighted the need for there to be 'control' of assets, with a key criteria for recognition being legal ownership. The Council includes Voluntary Aided, Voluntary Controlled and Foundation schools in its balance sheet only if it owns the land and/or can accordingly direct the use of the assets. In most cases these are owned by religious bodies, the trustees or governing body of the school.

Assumptions made about the future and other sources of estimation uncertainty

The Statement of Accounts contains figures that are based on assumptions or estimates about the future or that are otherwise uncertain. Whilst these take into account historical experience, current trends, professional guidance and other relevant factors, actual results could be different. The main items in the Council’s Balance Sheet at 31 March 2023 for which there is a risk of adjustment in future financial years are:

Item	Uncertainty	Effect if Actual Results Differ from Assumptions
Valuation, where required of Property, Plant and Equipment assets, Heritage assets and Investment properties Page 96	Valuation of property interests involves assessment of a number of variables such as market conditions, useful life, cost of reconstruction, assessment of condition, use of discount factors for social housing etc. Valuations are undertaken by qualified Chartered Surveyors, or experts in the relevant field, in accordance with the Practice Statements and Guidance notes set out in the Royal Institution of Chartered Surveyors (RICS) Valuation Standards (The Red Book) and any other relevant guidance. The Council’s approach to undertaking valuations on a more frequent basis than the minimum 5 year period required by the CIPFA Code ensure that changes in all variables impacting on a valuation are captured as soon as possible in the next full and professional valuation.	Any changes to valuations and any associated depreciation charges to services for non-current assets are required to be reversed out in the accounts, so this will not have an impact on Council Tax or rents.
Financial Instrument assets	These are reviewed annually for significant impairment using data such as historic risk of default and other reviews of recoverability. For financial assets not quoted on a recognised exchange or where it is difficult to provide accounting valuations e.g. valuations of the Council’s shareholding in Cardiff City Transport Services Ltd. The fair value is deemed to be Net Worth.	Any change in the fair value of Cardiff City Transport Services Ltd has no impact on the level of Council Tax as changes are reflected by a corresponding amendment in the Financial Instrument Revaluation Reserve.
Provisions	The Council makes a number of provisions for liabilities that it may face where a reasonable estimate of value can be made at the balance sheet date. In most cases these are subject to legal claims, such as those for insurance. Provisions relating to landfill sites are subject to a high level of estimation primarily given the length of period over which they are to be considered. Professional internal and external advice is used to determine the need and value of provisions.	The outcomes of assumptions will have an impact on the Outturn in future years, however due to the uncertain nature of these events, are difficult to quantify
Arrears	The Authority is owed for items such as sundry debtors, Council Tax, Non Domestic Rates (NDR) and rents. After taking into account trends in past collection experience and other relevant changes which may impact on collectability a level of impairment or provision for expected credit losses is assumed. It is not certain however that this impairment allowance would be sufficient as the Council cannot assess with certainty which debts will be collected or not.	Improvements in collection will improve future reported Outturn position, however where customers are finding it difficult to pay this will require increases in the level of provisions currently set aside.

Accounting Policies, Critical Judgements and Assumptions

Item	Uncertainty	Effect if Actual Results Differ from Assumptions
	<p>The current economic situation has made the estimation of debt impairment more difficult as there is more uncertainty about the economic viability of debtors and hence their ability to settle their debts which may or may not be sufficient.</p>	
Pensions Liability	<p>Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, inflation, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. This also includes market volatility caused by geo-political and macro-economic factors.</p> <p>Professional actuaries are engaged to provide the Council with expert advice about the assumptions to be applied.</p>	<p>It is difficult to measure the effects on the net pension liability of changes in individual assumptions, as they can result in multiple variations to the figure. A sensitivity analysis is provided in Note 13.</p>



Core Financial Statements and Notes to the Financial Statements



CRYFACH
TECACH
GWYRDDACH

STRONGER
FAIRER
GREENER



Comprehensive Income and Expenditure

This statement records all of the Council's income and expenditure throughout the year and consequently shows the accounting cost of providing services during the year in line with generally accepted accounting practices. The Expenditure and Funding Analysis (Note 2) demonstrates how the funding available to the Council has been used to provide services in comparison with those resources consumed or earned under Generally Accepted Accounting Practices (GAAP).

2021/22				2022/23			
Gross Expenditure	Gross Income	Net Expenditure		Note	Gross Expenditure	Gross Income	Net Expenditure
£000	£000	£000			£000	£000	£000
30,048	(26,007)	4,041	Corporate Management		16,471	(8,340)	8,131
104,625	(45,208)	59,417	Economic Development		140,974	(40,273)	100,701
437,111	(111,419)	325,692	Education & Lifelong Learning		461,993	(106,644)	355,349
9,633	(2,015)	7,618	Governance & Legal Services		9,951	(652)	9,299
9,314	(5,959)	3,355	Harbour Authority		10,005	(6,862)	3,143
236,580	(178,996)	57,584	Housing & Communities		235,524	(181,024)	54,500
96,295	(92,571)	3,724	Housing Revenue Account		82,433	(94,991)	(12,558)
10,097	(6,793)	3,304	Performance & Partnerships		17,700	(13,944)	3,756
76,295	(44,360)	31,935	Planning, Transport & Environment		79,187	(45,521)	33,666
45,573	(25,730)	19,843	Resources		44,681	(23,425)	21,256
172,719	(52,256)	120,463	Social Services - Adults		169,349	(31,023)	138,326
100,358	(25,175)	75,183	Social Services - Children's		116,354	(21,390)	94,964
259	(4,484)	(4,225)	Summary Revenue Account		2,062	(952)	1,110
1,328,907	(620,973)	707,934	Net Cost of Services		1,386,684	(575,041)	811,643
42,523	0	42,523	Police & Crime Commissioner for South Wales	3	45,047	0	45,047
458	0	458	Community Council Precepts		495	0	495
18,632	0	18,632	Levies & Contributions		19,040	0	19,040
719	(1,965)	(1,246)	(Gain)/loss on sale of non-current assets		2,150	(4,622)	(2,472)
62,332	(1,965)	60,367	Other Operating Expenditure		66,732	(4,622)	62,110
34,108	0	34,108	Interest Payable on debt	15	34,175	0	34,175
22,180	0	22,180	Interest on net defined benefit liability/(asset)	13	22,304	0	22,304
0	(388)	(388)	Interest & Investment Income	15	0	(3,589)	(3,589)
30,453	(12,658)	17,795	Income & Expenditure in relation to Investment Properties and changes in their fair value	14	15,315	(20,815)	(5,500)
0	0	0	Movement in Financial Instruments		0	(63)	(63)
86,741	(13,046)	73,695	Financing & Investment Income & Expenditure		71,794	(24,467)	47,327
0	(127,032)	(127,032)	Recognised Capital Grants & Contributions	24	0	(114,112)	(114,112)
0	(373,452)	(373,452)	Revenue Support Grant		0	(413,544)	(413,544)
0	(121,062)	(121,062)	Non-Domestic Rates	6	0	(131,182)	(131,182)
3,081	(240,341)	(237,260)	Council Tax Income	5	1,520	(248,520)	(247,000)
0	(6,022)	(6,022)	Donated Inventories		1,273	0	1,273

Comprehensive Income and Expenditure

2021/22				2022/23			
Gross Expenditure	Gross Income	Net Expenditure		Note	Gross Expenditure	Gross Income	Net Expenditure
£000	£000	£000			£000	£000	£000
116	0	116	Corporation Tax (CCRCO)		0	(37)	(37)
3,197	(867,909)	(864,712)	Taxation & Non-Specific Grant Income		2,793	(907,395)	(904,602)
1,481,177	(1,503,893)	(22,716)	(Surplus)/Deficit on Provision of Services		1,528,003	(1,511,525)	16,478
		(32,036)	(Surplus)/Deficit on revaluation of non current assets	26			(19,206)
		(3,475)	(Surplus)/Deficit on Financial Instrument Revaluation Reserve				(1,376)
		(307,373)	Remeasurement of the net defined benefit liability/(asset)	13			(726,020)
		(342,884)	Other Comprehensive Income & Expenditure				(746,602)
		(365,600)	Comprehensive Income & Expenditure (Surplus)/Deficit				(730,124)

The 2021/22 breakdown of the Net Cost of Services has been amended to take account of the changes in structure in 2022/23.

Movement in Reserves

The statement is split into both Usable and Unusable Reserves. Usable Reserves are those that the Council can use to provide services such as the General Fund and Capital Receipts Reserve whereas Unusable Reserves such as the Pension Fund and Capital Adjustment Account cannot be used, as they are for accounting purposes only.

	Council Fund Balance	Council Fund Earmarked Reserves	HRA Balance	HRA Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Council Reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2021 carried forward	14,255	102,502	15,502	3,700	8,673	0	144,632	170,251	314,883
Movement in Reserves during 2021/22									0
Surplus/(deficit) on the provision of Services	8,283	0	14,433	0	0	0	22,716	0	22,716
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	342,884	342,884
Total Comprehensive Income and Expenditure	8,283	0	14,433	0	0	0	22,716	342,884	365,600
Adjustments between accounting basis & funding basis under regulations (note 1)	40,225	0	(7,546)	0	(1,833)	6,972	37,818	(37,818)	0
Net Increase/(Decrease) before Transfers to/(from) Earmarked Reserves	48,508	0	6,887	0	(1,833)	6,972	60,534	305,066	365,600
Transfers to/(from) Earmarked Reserves	(48,508)	48,508	(6,887)	6,887	0	0	0	0	0
Increase/(Decrease) in 2021/22	0	48,508	0	6,887	(1,833)	6,972	60,534	305,066	365,600
Balance at 31 March 2022 carried forward	14,255	151,010	15,502	10,587	6,840	6,972	205,166	475,317	680,483
Movement in Reserves during 2022/23									0
Surplus/(deficit) on the provision of Services	(64,723)	0	48,245	0	0	0	(16,478)	0	(16,478)
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	746,602	746,602
Total Comprehensive Income and Expenditure	(64,723)	0	48,245	0	0	0	(16,478)	746,602	730,124
Adjustments between accounting basis & funding basis under regulations (note 1)	63,226	0	(46,412)	0	840	0	17,654	(17,654)	0
Net Increase/(Decrease) before Transfers to/(from) Earmarked Reserves	(1,497)	0	1,833	0	840	0	1,176	728,948	730,124
Transfers to/(from) Earmarked Reserves (note 25)	1,497	(1,497)	(1,833)	1,833	0	0	0	0	0
Increase/(Decrease) in 2022/23	0	(1,497)	0	1,833	840	0	1,176	728,948	730,124
Balance at 31 March 2023 carried forward	14,255	149,513	15,502	12,420	7,680	6,972	206,342	1,204,265	1,410,607

Balance Sheet

This statement is comprised of two balancing sections - the net assets of the Council and the total reserves held.

31 March 2022		Note	31 March 2023
£000			£000
1,992,202	Property, Plant & Equipment incl Infrastructure Assets	14	2,092,979
58,849	Heritage Assets		67,955
150,718	Investment Properties		167,560
1,135	Intangible assets including AUC		1,098
24,749	Long-term Investments	15	27,596
10,906	Long-term Debtors		11,772
2,238,559	Total Long-Term Assets		2,368,960
210,105	Short-term Investments	15	97,248
0	Assets Held for Sale	16	4,000
11,684	Inventories		10,439
184,300	Short-term Debtors	17	187,806
23,751	Cash and Cash Equivalents	18	56,594
429,840	Total Current Assets		356,087
(31,311)	Short-term Borrowing	15	(12,850)
(175,845)	Short-term Creditors	19	(138,937)
(1,035)	Pension Strain	22	(1,737)
(4,544)	Provisions	21	(3,419)
(3,640)	Deferred Liabilities	23	(3,985)
(216,375)	Total Current Liabilities		(160,928)
(832,819)	Long-term Borrowing	15	(850,737)
(24,458)	Provisions	21	(24,467)
(9,621)	Deferred Liabilities	23	(10,010)
(16,521)	Revenue Grants Receipts in Advance	24	(8,020)
(11,431)	Capital Grants Receipts in Advance		(22,679)
(22,388)	Capital Contributions Receipts in Advance		(31,296)
(1,296)	Pension Strain	22	(494)
(853,005)	Net Pensions Liability	13	(205,809)
(1,771,539)	Total Long-Term Liabilities		(1,153,512)
680,485	NET ASSETS		1,410,607
	Financed by:		
14,255	Council Fund Balance	25	14,255
151,012	Council Fund Earmarked Reserves		149,513
15,502	Housing Revenue Account Balance		15,502
10,587	Housing Revenue Account Earmarked Reserves		12,420
6,840	Capital Receipts Reserve		7,680
6,972	Capital Grants Unapplied		6,972
205,168	Total Usable Reserves		
345,822	Revaluation Reserve	26	362,612
977,282	Capital Adjustment Account		1,046,902
5,003	Deferred Capital Receipts		66
10,366	Financial Instruments Revaluation Reserve		11,742
(855,336)	Pensions Reserve		(208,040)

Balance Sheet

31 March 2022		Note	31 March 2023
£000			£000
(17,054)	Accumulated Absences Adjustment Account		(16,978)
9,234	Donated Inventories Account		7,961
475,317	Total Unusable Reserves		1,204,265
680,485	TOTAL RESERVES		1,410,607

Cashflow Statement

This statement shows how the Council generates and uses cash and cash equivalents by classifying the cash flows as arising from operating, investing and financing activities.

2021/22 £000		Note	2022/23 £000
(22,716)	Net (surplus)/deficit on the provision of services		16,478
(231,213)	Adjustments to net (surplus)/deficit on the provision of services for non-cash movements	28	(107,948)
129,979	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities		(836,436)
(123,950)	Net cash flows from operating activities		(927,906)
191,372	Purchase of property, plant and equipment, investment property and intangible assets		197,357
117,750	Purchase of short-term and long-term Investments		837,720
2,133	Other investing activities		(10,220)
(2,649)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets		(9,851)
(126,516)	Capital Grants and Contributions		(121,623)
182,090	Net cash flows from investing activities		893,383
(72,479)	Cash receipts from short-term and long-term borrowing		(31,694)
(2,495)	Other financing activities		10,604
27,533	Repayments of short-term and long-term borrowing		22,770
(47,441)	Net cash flows from financing activities		1,680
10,699	Net (increase)/decrease in cash and cash equivalents		(32,843)
34,450	Cash and cash equivalents at the beginning of the reporting period		23,751
23,751	Cash and cash equivalents at the end of the reporting period	18	56,594

Notes to the Financial Statements

1. Adjustments between Accounting Basis and Funding Basis under Regulation

This note details the adjustments that are made to the total comprehensive income and expenditure, recognised by the Council in the year, in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

Usable Reserves 2021/22					Movement in Unusable Reserves	Adjustments between Accounting and Funding Basis	Usable Reserves 2022/23				Movement in Unusable Reserves
Council Fund Balance	Housing Revenue Account	Capital Receipts Reserves	Unapplied Capital Grants				Council Fund Balance	Housing Revenue Account	Capital Receipts Reserves	Unapplied Capital Grants	
£000	£000	£000	£000	£000		£000	£000	£000	£000	£000	
						Adjustments to Revenue Resources					
						Amounts by which the income and expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements					
71,980	5,356	0	0	(77,336)		Pension costs (transferred to/from the Pensions Reserve)	73,443	5,281	0	0	(78,724)
(338)	(290)	0	0	628		Officer remuneration (transferred to the accumulated absence Reserve)	121	(199)	0	0	78
53,417	11,345	0	0	(64,762)		Charges for depreciation and impairment of Non-Current assets	77,053	13,618	0	0	(90,671)
44,806	24,114	0	0	(68,920)		Revaluation losses of Non-Current Assets	15,242	667	0	0	(15,909)
(23,804)	(1,407)	0	0	25,211		Reverse previous impairment on revaluation	(18,750)	(1,027)	0	0	19,777
842	86	0	0	(928)		Amortisation of Intangible Assets	604	0	0	0	(604)
26,694	(62)	0	0	(26,632)		Movements in the market value of Investment Properties	2,446	0	0	0	(2,446)
0	0	0	0	0		Movement in the value of Assets Held for Sale	0	0	0	0	0
(89,508)	(30,552)	0	0	120,060		Capital grants and contributions applied	(66,495)	(47,617)	0	0	114,112
(6,972)	0	0	6,972	0		Capital grants unapplied	0	0	0	0	0
2,662	31	0	0	(2,693)		Revenue expenditure funded from capital under statute	8,407	0	0	0	(8,407)
(6,022)	0	0	0	6,022		Transfer to Donated Inventories	1,273	0	0	0	(1,273)
25	0	0	0	(25)		Movement of Financial Instruments	3	0	47	0	(50)

Usable Reserves 2021/22					Movement in Unusable Reserves	Adjustments between Accounting and Funding Basis	Usable Reserves 2022/23				Movement in Unusable Reserves
Council Fund Balance	Housing Revenue Account	Capital Receipts Reserves	Unapplied Capital Grants				Council Fund Balance	Housing Revenue Account	Capital Receipts Reserves	Unapplied Capital Grants	
£000	£000	£000	£000	£000		£000	£000	£000	£000	£000	
(494)	(753)	1,966	0	(719)	Amount of Non-Current Assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income & Expenditure Statement	(938)	(1,532)	4,621	0	(2,151)	
73,288	7,868	1,966	6,972	(90,094)	Total adjustments to Revenue Resources	92,409	(30,809)	4,668	0	(66,268)	
					Adjustments between Revenue and Capital Resources						
(31,523)	(13,015)	0	0	44,538	Statutory provision for the financing of capital investment	(27,928)	(12,566)	0	0	40,494	
(1,540)	(2,400)	0	0	3,940	Capital expenditure charged against the Council Fund and HRA balances	(958)	(3,037)	0	0	3,995	
0	0	0	0	0	Credit for disposal costs that qualify to be met from the resulting capital receipts	0	0	0	0	0	
0	0	(17)	0	17	Capital receipts set aside for the repayment of debt	0	0	0	0	0	
(33,063)	(15,415)	(17)	0	48,495	Total adjustments between Revenue and Capital resources	(28,886)	(15,603)	0	0	44,489	
					Adjustments to Capital resources						
0	0	0	0	0	Transfers to the Capital Receipts Reserve upon receipt of cash	(231)	0	1,547	0	(1,316)	
0	0	0	0	0	Transfers to /from the Deferred Capital Receipts Reserve in relation to gain/loss on disposal	(66)	0	5,003	0	(4,937)	
0	0	(3,781)	0	3,781	Use of the Capital Receipts Reserves to finance new capital expenditure	0	0	(10,378)	0	10,378	
0	0	(3,781)	0	3,781	Total adjustments to Capital resources	(297)	0	(3,828)	0	4,125	
40,225	(7,547)	(1,832)	6,972	(37,818)	Total adjustments	63,226	(46,412)	840	0	(17,654)	

2. Expenditure and Funding Analysis

The Expenditure and Funding Analysis demonstrates how the funding available to the Council has been used to provide services in comparison with those resources consumed or earned under Generally Accepted Accounting Practices (GAAP).

2021/22			Directorate	2022/23		
Net Expenditure Charged to CF and HRA	Adjustments between accounting & funding basis	Net expenditure CIES		Net Expenditure Charged to CF and HRA (outturn)	Adjustments between accounting & funding basis (see note 2.1)	Net expenditure CIES (Net Cost of Services)
£000	£000	£000		£000	£000	£000
26,429	(22,388)	4,041	Corporate Management	29,696	(21,565)	8,131
38,787	20,630	59,417	Economic Development	50,604	50,097	100,701
297,868	27,824	325,692	Education & Lifelong Learning	313,914	41,435	355,349
6,514	1,104	7,618	Governance & Legal Services	7,619	1,680	9,299
0	3,355	3,355	Harbour Authority	0	3,143	3,143
47,560	10,024	57,584	Housing & Communities	46,082	8,418	54,500
0	3,724	3,724	Housing Revenue Account	0	(12,558)	(12,558)
2,882	422	3,304	Performance & Partnerships	2,964	792	3,756
5,976	25,959	31,935	Planning Transport & Environment	8,196	25,470	33,666
15,186	4,657	19,843	Resources	16,198	5,058	21,256
120,741	(278)	120,463	Social Services - Adults	132,229	6,097	138,326
71,189	3,994	75,183	Social Services - Children's	88,285	6,679	94,964
49,120	(53,345)	(4,225)	Summary Revenue Account	47,959	(46,849)	1,110
682,252	25,682	707,934	Net Cost of Services	743,746	67,897	811,643
(636,441)	(94,209)	(730,650)	Other income and expenditure	(696,558)	(98,607)	(795,165)
45,811	(68,527)	(22,716)	(Surplus)/Deficit on Provision of Services	47,188	(30,710)	16,478
	Council Fund	HRA Balance			Council Fund	HRA Balance
	(14,255)	(15,502)	Opening Balance as at 1 April		(14,255)	(15,502)
	0	0	Surplus/(Deficit)		0	0
	(14,255)	(15,502)	Closing Balance as at 31 March		(14,255)	(15,502)

The 2021/22 breakdown of the Net Cost of Services has been amended to take account of the changes in structure in 2022/23

2.1 Note to the Expenditure and Funding Analysis

The adjustments between Accounting and Funding basis are analysed further in the following table with further explanation provided below the table.

2021/22				Directorate	2022/23			
Adjustments for capital purposes (a)	Net change for Pensions Adjustments (b)	Other Adjustments (c)	Total Adjustments		Adjustments for capital purposes (a)	Net change for Pensions Adjustments (b)	Other Adjustments (c)	Total Adjustments
£000	£000	£000	£000		£000	£000	£000	£000
396	890	(23,674)	(22,388)	Corporate Management	21	586	(22,172)	(21,565)
18,339	7,363	(5,072)	20,630	Economic Development	45,414	8,066	(3,383)	50,097
32,346	15,982	(20,504)	27,824	Education & Lifelong Learning	14,731	15,915	10,789	41,435
0	958	146	1,104	Governance & Legal Services	34	982	664	1,680
2,826	500	29	3,355	Harbour Authority	2,733	465	(55)	3,143
5,153	6,043	(1,172)	10,024	Housing & Communities	886	6,255	1,277	8,418
31,771	5,356	(33,403)	3,724	Housing Revenue Account	10,222	5,281	(28,061)	(12,558)
0	641	(219)	422	Performance & Partnerships	0	809	(17)	792
20,862	3,492	1,605	25,959	Planning, Transport & Environment	22,446	3,491	(467)	25,470
2,701	4,140	(2,184)	4,657	Resources	2,404	4,998	(2,344)	5,058
(263)	5,230	(5,245)	(278)	Social Services - Adults	548	4,796	753	6,097
1,228	4,536	(1,770)	3,994	Social Services - Children's	139	4,777	1,763	6,679
101	9	(53,455)	(53,345)	Summary Revenue Account	0	0	(46,849)	(46,849)
115,460	55,140	(144,918)	25,682	Net Cost of Services	99,578	56,421	(88,102)	67,897
(110,483)	22,180	(5,906)	(94,209)	Other income and expenditure from the Expenditure & Funding Analysis	(122,147)	22,304	1,236	(98,607)
4,977	77,320	(150,824)	(68,527)	(Surplus)/Deficit on Provision of Services	(22,569)	78,725	(86,866)	(30,710)

The 2021/22 breakdown of the Net Cost of Services has been amended to take account of the changes in structure in 2022/23

(a) Adjustments for capital purposes – this column adds in depreciation, impairment and revaluation gains and losses in the net cost of services line and:

- **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** – the statutory charges for capital financing i.e. prudent revenue provision and other revenue contributions are deducted from other income and expenditure, as these are not chargeable under generally accepted accounting practices (GAAP)
- **taxation and non-specific income and expenditure** - capital grants are adjusted for income not chargeable under GAAP. Revenue grants are adjusted from those receivables during the year to those receivables 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 within the year.

(b) Net change for the removal of pension contributions and the addition of the IAS19 Employee Benefits pension related expenditure and income:

- **for the net cost of services** – the removal of the employer pension contributions made by the Council as determined by statute and their 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.

(c) Other adjustments between the amounts debited/credited to the CIES and amounts payable/receivable to be recognised under statute:

- **for net cost of services** – the accrual made for the cost of holiday/leave entitlements earned by employees but not taken before the year end which employees can carry forward into the next financial year. These are required to be included within the Net Cost of Services under GAAP, however, are not chargeable to the Council Fund.
- **for financing and investment income and expenditure** – the other differences column recognises adjustments to the Council Fund for the timing differences of premiums and discounts.
- For taxation and non-specific grant income - the difference between what is chargeable under statute for council tax and NDR that was forecast to be received at the start of the year, and the income recognised under GAAP. This is a timing difference as any difference is brought forward in the surpluses or deficits on the collection fund.

2.2. Expenditure and Income Analysed by Nature

As well as by Directorate, the Council's expenditure and income analysed by type is shown below.

2021/22 £000		2022/23 £000
599,145	Employee benefits expenses	648,745
689,422	Other service expenses	671,803
65,717	Depreciation, amortisation & impairment	91,233
30,453	Expenditure in relation to investment properties & changes in their fair value	15,315
34,108	Interest payments	34,175
61,613	Precepts & levies	64,582
719	Loss on sale of non-current assets	2,150
1,481,177	Total Expenditure	1,528,003
(231,877)	Fees, charges & other service income	(213,518)
(12,658)	Income in relation to investment properties & changes in their fair value	(20,815)
(388)	Interest & investment income	(3,589)
(361,403)	Income from Council Tax & Non-Domestic Rates	(379,702)
(895,602)	Grants & contributions	(889,279)
(1,965)	Gain on sale of non-current assets	(4,622)
(1,503,893)	Total Income	(1,511,525)
(22,716)	(Surplus)/Deficit on the Provision of Services	16,478

3. Precepts and Levies

2021/22 £000		2022/23 £000
	Precepts	
42,523	Police and Crime Commissioner for South Wales	45,047
	Community Councils:	
51	- Lisvane	61
175	- Pentyrch	185
126	- Radyr & Morganstown	131
34	- St Fagans	42
49	- Old St Mellons	51
23	- Tongwynlais	25
42,981	Total Precepts	45,542
	Levies & Contributions	
18,374	South Wales Fire and Rescue Service	18,776
139	Natural Resources Wales	139
114	Cardiff Port Health Authority	120
5	Newport Port Health Authority	5
18,632	Total Levies and Contributions	19,040

4. Participation in Joint Committees

During 2022/23 the Council was lead Authority for three Joint Committees and a member authority of three others. The table below shows the revenue contributions made to these Committees. The Statement of Accounts for each Joint Committee will be available on the lead authority's website following approval.

2021/22 £000	Committee	Purpose	Lead Authority	2022/23 £000
275	Cardiff Capital Region City Deal (CCRCD)	To co-ordinate and discharge Councils' obligations in relation to the City Deal	Cardiff Council	289
1,293	Central South Consortium Joint Education Service	To provide a regional approach to improvement in schools	Rhondda Cynon Taf Council	1,327
243	Glamorgan Archives	Management and administration of the Glamorgan Records Office	Cardiff Council	265
27	Prosiect Gwyrdd	To manage residual waste treatment	Cardiff Council	27
699	Regional Adoption Service	To share best practice, develop and improve adoption services	Vale of Glamorgan Council	778
4,722	Shared Regulatory Service	To provide environmental health services	Vale of Glamorgan Council	5,162
7,259	Total			7,848

The Council has accounted for its share of the balances with CCRCD but for the other Joint Committees it accounts just for their contributions.

Any capital contributions to CCRCD in respect to the Wider Investment Fund would be included in the core financial statements but not shown in the table above. No capital contribution was made in 2022/23 (£0 for 2021/22).

5. Council Tax

Council Tax income derives from charges raised according to the value of residential properties, which have been classified into nine valuation bands, estimating 1 April 2003 values for this specific purpose. Charges are calculated by taking the amount of income required for the Council and the Police and Crime Commissioner for the forthcoming year and dividing this amount by the Council Tax base. The Council Tax base is the number of properties in each band adjusted to a proportion to convert the number to a band D equivalent, totaled across all bands and adjusted for discounts. Cardiff's Council Tax base for tax-setting purposes for 2022/23 was 149,107 (147,794 for 2021/22).

The amounts for a band D property in Cardiff during 2022/23 were as follows:

2021/22 £	Band D Council Tax:	2022/23 £
1,310	Cardiff Council	1,335
288	Police and Crime Commissioner for South Wales	302
1,598	Total	1,637

The above amount (£1,637) is multiplied by the proportion specified for the particular band (see following table) to give the individual amount due. Community Council precepts are then added in each of the six Community Council areas.

Analysis of property bandings

Band	A*	A	B	C	D	E	F	G	H	I	Totals
Multiplier	5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9	21/9	
No of Band D equivalent dwellings	4	2,051	12,671	24,600	30,959	30,348	26,942	15,476	5,181	3,096	151,328
Apply Collection rate										98.50%	149,058
Plus Class O (Ministry of Defence) dwellings											49
Council Tax Base											149,107

Analysis of the net proceeds from Council Tax:

2021/22 £000		2022/23 £000
(240,341)	Council Tax collectable	(248,520)
3,081	Impairment for non-payment of Council Tax	1,520
(237,260)	Net proceeds	(247,000)
	Represented by:	
42,981	Precepts	45,542
194,279	Council Tax attributable to the Council	201,458

The cumulative impairment for non-payment of Council Tax held at the 31 March 2023 is £10.388 million (£10.422 million at 31 March 2022).

Council Tax that is past due but not impaired:

31 March 2022 £000		31 March 2023 £000
4,876	Debts less than one year	5,636
1,920	Debts between two and 5 years	2,164
117	Debts over five years	127
6,913	Total Council Tax due but not impaired	7,927

6. Non-Domestic Rates (NDR)

The Welsh Government specifies an amount for the rate 53.5p in 2022/23 (53.5p in 2021/22) and, subject to the effects of transitory arrangements, local businesses pay rates calculated by multiplying their rateable value by that amount. The Council is responsible for collecting rates due from ratepayers in its areas but pays the proceeds into the NDR pool administered by the Welsh Government. The sums collected are redistributed back to Councils on the basis of a fixed amount per head of population. The rateable value was £451.288 million for 2022/23 (£457.565 million 2021/22). An analysis of the net proceeds from non-domestic rates is shown below:

2021/22 £000		2022/23 £000
198,777	Non-Domestic Rates collectable	197,199
(933)	Cost of collection allowance	(938)
3,685	Impairment for non-payment	1,952
201,529	Payment into national pool	198,213
(121,062)	Redistribution from national pool	(131,182)

7. Agency Income and Expenditure

The Council acted as an agent on behalf of the following in the provision of goods and services:

Welsh Government

- Non-Domestic Rates collection - a net debtor of £8.440 million at 31 March 2023 (£2.022 million creditor at 31 March 2022) is included in the balance sheet which represents the amount paid over to Welsh Government exceeds the amount collected from ratepayers.
- Houses into Homes Loans - provide loans to bring back unused properties into homes. At 31 March 2023 the Welsh Government had provided £2.173 million of funding, of which £201,000 is outstanding as loans provided. The balance available for new loans was £1.771 million (£1.652 million at 31 March 2022).
- Home Improvement loans – provide loans for home improvements. At 31 March 2023 the Welsh Government had provided £1.624 million of funding, of which £1.055 million is outstanding as loans provided leaving a balance available for new loans of £569,000.
- Covid-19 Business Grants - the Council distributed grants to eligible business on behalf of the Welsh Government totaling £32,000 in 2022/23 (£18.908 million in 2021/22)
- Other Welsh Government Covid-19 grants and financial support – there have also been a number of grants or areas of financial support that local authorities have been asked to administer on the Welsh Government’s behalf because they have the local knowledge and ability to put in place systems quickly to make payments. At 31 March 2023 Welsh Government had provided £22.107 million for this support.

South Wales Trunk Road Agency

The total reimbursement received by the Council was £333,000 in 2022/23 (£265,000 in 2021/22).

FOR Cardiff

This is a partnership between the local business community and the Council to form a Business Improvement District in a defined area within the city centre. A levy is charged on all business rate payers of all relevant businesses in addition to their business rates bill. This is used to develop projects benefitting the local area. Further information is available on their website <https://www.forcardiff.com>. The Council collects the income and pays this over to FOR Cardiff. This totaled £2.190 million in 2022/23 (£1.457 million in 2021/22).

Prosiect Gwyrdd

The Council is responsible for the payments to Viridor to provide waste treatment in relation to residual waste. The Council made payments of £10.055 million in 2022/23 (£10.198 million in 2021/22) on behalf of all the partners.

8. Remuneration

8.1 The ratio of the remuneration of the Chief Executive to the median remuneration of all the body's employees. The multiple between the median full time equivalent earnings and the Chief Executive in 2022/23 was 1:6 (1:7 in 2021/22). The median full time equivalent earnings for 2022/23 was £31,176 (£28,572 in 2021/22). These figures include staff directly employed by the governing bodies of schools including a Voluntary-Controlled and a Foundation school and several Voluntary-Aided schools, as well as those employed by the Council.

8.2 The number of employees, whose remuneration is over £60,000 per annum within bands of £5,000 is shown in table below. It includes all employees who are full time, full year equivalent of part time staff and those working part of the year, including senior officers whose remuneration is disclosed in more detail in note 8.3. It excludes any staff paid via agency.

The remuneration bands include all taxable remuneration received in the year, including in some cases, severance payments and Returning Officer fees but exclude employers pension contributions and any expenses that are not chargeable to UK income tax.

The table separately identifies individuals directly employed by the governing bodies of schools including several Voluntary-Aided, Voluntary-Controlled and Foundation schools, as well as those employed by the Council. The employee costs relating to these individuals are included with the Council's Net Cost of Services and, therefore, these individuals are included in the following table.

Number of Employees		Remuneration band	Number of Employees	
2021/22			2022/23	
Non Schools	Schools	£	Non Schools	Schools
12	63	60,000-64,999	59	91
14	46	65,000-69,999	18	56
21	49	70,000-74,999	36	53
1	25	75,000-79,999	7	26
0	8	80,000-84,999	2	24
0	7	85,000-89,999	2	8
10	1	90,000-94,999	10	7
0	7	95,000-99,999	0	4

Number of Employees		Remuneration band £	Number of Employees	
2021/22			2022/23	
Non Schools	Schools		Non Schools	Schools
0	4	100,000-104,999	0	3
1	4	105,000-109,999	1	2
0	1	110,000-114,999	0	5
0	1	115,000-119,999	0	2
0	0	120,000-124,999	0	1
0	0	125,000-129,999	0	1
6	1	130,000-134,999	6	0
0	0	135,000-139,999	0	0
2	3	140,000-144,999	0	1
0	0	145,000-149,999	2	0
0	0	150,000-154,999	0	2
0	0	155,000-159,999	0	1
0	1	160,000-164,999	0	0
0	0	165,000-169,999	0	0
0	1	170,000-174,999	0	1
0	0	175,000-179,999	0	0
0	0	180,000-184,999	0	1
1	0	185,000-189,999	0	0
0	0	190,000-194,999	1	0
68	222	Total	144	289

The increase in the number of employees above £60,000 is due to increases in pay but no increase to the banding threshold since inception. The number of redundancy/compensation payments on exit has increased in 2022/23 compared to 2021/22.

8.3 Shown in the tables below are remuneration details of those defined as senior employees:

- senior employees who form part of the Council's Senior Management Team (Directors, Assistant Directors, and Heads of Service) whose salary is £60,000 or more per annum but less than £150,000. These are identified by job title.
- senior employees whose salary is £150,000 or more on an annualised basis are identified by name.
- the table does not include senior employees in schools.

Remuneration also includes the cost of any additional contributions that the Council is required to make to the Pension Fund in respect of the individuals who are leaving the Council i.e., Enhancement of Retirement Benefits (Pension Strain costs). No bonuses have been paid during 2022/23 (£1,470 in 2021/22).

Post title	Note	Year	Salary, fees & allowances received £	Taxable benefits £	Compensation for loss of employment			Employers pension contribution (20.7% of salary) £	Total remuneration including pension contributions £	Explanatory notes
					Received via payroll (taxable) £	Received via payroll (non-taxable) £	Enhancement of Retirement Benefits £			
Chief Executive - Paul Orders	(a)	2022/23	190,091	0	0	0	0	39,349	229,440	
		2021/22	188,166	0	0	0	0	38,950	227,116	
Corporate Director Resources & Section 151 Officer		2022/23	145,816	0	0	0	0	30,184	176,000	
		2021/22	143,891	0	0	0	0	29,785	173,676	
Corporate Director People & Communities		2022/23	145,816	0	0	0	0	30,184	176,000	
		2021/22	143,891	0	0	0	0	29,785	173,676	
Director Planning, Transport & Environment		2022/23	134,747	0	0	0	0	27,893	162,640	
		2021/22	132,822	0	0	0	0	27,494	160,316	
Director Economic Development		2022/23	134,747	0	0	0	0	27,893	162,640	
		2021/22	132,822	0	0	0	0	27,494	160,316	
		2022/23	134,747	0	0	0	0	27,893	162,640	

Post title	Note	Year	Salary, fees & allowances received £	Taxable benefits £	Compensation for loss of employment			Employers pension contribution (20.7% of salary) £	Total remuneration including pension contributions £	Explanatory notes
					Received via payroll (taxable) £	Received via payroll (non-taxable) £	Enhancement of Retirement Benefits £			
Director Education & Lifelong Learning		2021/22	132,822	0	0	0	0	27,494	160,316	
Director Governance & Legal Services & Monitoring Officer		2022/23	134,747	0	0	0	0	27,893	162,640	
		2021/22	132,822	0	0	0	0	27,494	160,316	
Director Children's Services	(b)	2022/23	134,747	0	0	0	0	27,893	162,640	
		2021/22	133,557	0	0	0	0	27,646	161,203	
Director Adults Housing & Communities Services		2022/23	134,747	0	0	0	0	27,893	162,640	
		2021/22	132,822	0	0	0	0	27,494	160,316	
Chief Digital Officer		2022/23	108,553	0	0	0	0	22,471	131,024	
		2021/22	106,628	0	0	0	0	22,072	128,700	
Assistant Director Adult Services	(b)	2022/23	0	0	0	0	0	0	0	Left the Council 05/04/2021.
		2021/22	1,971	0	0	0	0	408	2,379	
Assistant Director County Estates		2022/23	92,245	0	0	0	0	19,095	111,340	
		2021/22	90,320	0	0	0	0	18,696	109,016	
Assistant Director Education & Lifelong Learning		2022/23	92,245	0	0	0	0	19,095	111,340	
		2021/22	90,320	0	0	0	0	18,696	109,016	
Assistant Director Housing & Communities		2022/23	92,245	0	0	0	0	19,095	111,340	Commenced 12/07/2021.
		2021/22	65,069	0	0	0	0	13,469	78,539	
Assistant Director Street Scene		2022/23	92,245	0	0	0	0	19,095	111,340	
		2021/22	90,320	0	0	0	0	18,696	109,016	
		2022/23	92,245	0	0	0	0	19,095	111,340	

Post title	Note	Year	Salary, fees & allowances received £	Taxable benefits £	Compensation for loss of employment			Employers pension contribution (20.7% of salary) £	Total remuneration including pension contributions £	Explanatory notes
					Received via payroll (taxable) £	Received via payroll (non-taxable) £	Enhancement of Retirement Benefits £			
Programme Director - Schools Organisation Programme		2021/22	90,320	0	0	0	0	18,696	109,016	
Chief Human Resources Officer		2022/23	92,245	0	0	0	0	19,095	111,340	
		2021/22	90,320	0	0	0	0	18,696	109,016	
Head of Finance		2022/23	92,245	0	0	0	0	19,095	111,340	
		2021/22	90,320	0	0	0	0	18,696	109,016	
Head of Performance & Partnerships		2022/23	92,245	0	0	0	0	19,095	111,340	
		2021/22	90,320	0	0	0	0	18,696	109,016	

(a) In addition to the remuneration fees detailed in the table above, the Chief Executive is the Council's nominated Returning Officer. Any fees payable in relation to this role have been waived.

(b) Includes bonus payment of £735, received in 2021/22 but relates to 2020/21 as part of the Welsh Government Financial Recognition for Social Care Worker Scheme.

8.4 Exit Packages

The numbers of exit packages with total cost per band and the total cost of the compulsory and other redundancies are set out in the following tables. The total costs of the exit packages identified are made up of two elements. The first element is the one-off payment made to an individual as compensation for loss of employment through either voluntary or compulsory redundancy. The second element is the pension strain cost for which the Council has the option to pay the Pension Fund over a five-year period.

Schools 2022/23				Exit package cost band (including special payments)	Non-schools 2022/23			
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 £		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 £
3	14	17	118,984	0 - 20,000	3	25	28	290,912
0	1	1	20,208	20,001 – 40,000	1	25	26	663,606
0	1	1	48,038	40,001 – 60,000	0	15	15	750,886
0	1	1	63,156	60,001 – 80,000	0	22	22	1,559,846
0	1	1	93,327	80,001 – 100,000	0	6	6	529,085
0	0	0	0	100,001 – 150,000	0	7	7	776,965
0	0	0	0	150,001 – 200,000	0	4	4	685,160
3	18	21	343,713	Total	4	104	108	5,256,460

Schools 2021/22				Exit package cost band (including special payments)	Non-schools 2021/22			
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 £		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 £
10	14	24	148,585	0 - 20,000	5	39	44	418,025
1	6	7	170,513	20,001 – 40,000	1	16	17	478,341
0	1	1	42,445	40,001 – 60,000	0	3	3	154,645
0	0	0	0	60,001 – 80,000	0	2	2	153,951
0	0	0	0	80,001 – 100,000	0	2	2	165,771
0	0	0	0	100,001 – 150,000	0	0	0	0
0	0	0	0	150,001 – 200,000	0	0	0	0
11	21	32	361,543	Total	6	62	68	1,370,733

*Compulsory Redundancies include temporary and fixed term contracts ending after 2 years.

8.5 Members Allowances

The total amount of Members' Allowances (including basic and special responsibility) paid in 2022/23 was £1.616 million (£1.385 million in 2021/22). As required by the Code, this figure includes all remuneration paid to members including basic and special allowances, care allowances and directly reimbursed expenses.

9. Health Act 1999 Pooled Funds and Similar Arrangements

The Cardiff and Vale Joint Equipment Store (JES) is a Section 33 partnership agreement between Cardiff and Vale of Glamorgan local authorities and the Cardiff and Vale University Health Board for the provision of an integrated community equipment service serving the combined Cardiff and Vale region. The original agreement came into effect on 1 January 2012. The transactions are included in the Social Services - Adults line of the Comprehensive Income and Expenditure Statement.

Under regulation 19(1) of the Partnership Arrangements (Wales) Regulations 2015, a pooled budget arrangement has been agreed between Cardiff and Vale local authorities and the Cardiff and Vale University Health Board in relation to the provision of care home accommodation for older people. The arrangement came into effect on 1st April 2018. The Cardiff Council transactions are included in the Social Services - Adults line of the Comprehensive Income and Expenditure statement.

Income and expenditure for these pooled budget arrangements for the year ending 31 March 2023 are as follows:

2021/22 £000			2022/23 £000	
Joint Equipment	Care Homes for older people		Joint Equipment	Care Homes for older people
		Expenditure		
1,689	0	Equipment	2,058	0
487	0	Contribution to Overheads	487	0
0	64,046	Care Home costs	0	63,331
2,176	64,046	Total Expenditure	2,545	63,331
		Funding		
(1,376)	(24,549)	Cardiff and Vale University Health Board	(1,573)	(25,572)
(663)	(23,744)	Cardiff Council	(606)	(25,699)
(347)	(15,753)	Vale of Glamorgan Council	(366)	(12,060)
(2,386)	(64,046)	Total Funding	(2,545)	(63,331)
(210)	0	(Surplus)/Deficit transferred to Reserve	0	0

10. Related Parties

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. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

Central Government has effective control over the general operations of the Council. It is responsible for providing the statutory framework, within which the Council operates, providing the majority of its funding in the form of grants and prescribing the terms of many of the transactions that the Council has with other parties. For 2022/23 financial transactions with the Welsh Government totaled £10.239 million of expenditure and approximately £319.761 million of income. At the year-end, in addition to financial instruments (Note 15) and expenditure incurred as an agent for Welsh Government (Note 7), no money was owed to Welsh Government and approximately £81.957 million owed from Welsh Government.

Members of the Council have direct control over the Council's financial and operating policies. The total members' allowances paid in 2022/23 is shown in note 8. Members' interests in other organisations have been identified by an inspection of the Members' and Officers' Declaration of Interest Register. This is available on the Councils Website Your Councilors': Cardiff Council (modern.gov.co.uk) The Code of Conduct for Members of Local Authorities in Wales specifies Members have 28 days to register any changes to declared interests. Democratic Services remind Members of this requirements on a regular basis. This process is relied upon for the related parties notes as all Members are required to comply with the Code of conduct. Within this process, the length of time between declarations being updated by Members is not an indication that they have not complied but instead an indication that no changes have been made since they were last updated.

The following transactions relating to elected members took place during the year, with associated balances due to or from the Authority at the year end. The relevant members did not take part in any discussion or decision relating to any grants received.

2021/22				Related Party	Related Party Relationship	Transaction details	2022/23			
Transactions		Balances					Transactions		Balances	
Amounts paid by the Authority	Amounts received by the Authority	Amounts owed by the Authority	Amounts owed to the Authority				Amounts paid by the Authority	Amounts received by the Authority	Amounts owed by the Authority	Amounts owed to the Authority
£000							£000			
25	(15)	0	0	Cardiff Cycle Workshop Ltd	Family Member is Chair of Trustees	Payments are primarily for Bike Clinics and purchase of refurbished bikes. Income is mainly ground rent	0	0	0	0
949	(8)	0	0	Cartref Care Homes	Trustee	Primarily Residential Care	200	(1)	0	0
214	0	1	0	Cathays and Central Youth & Community Project	Trustee	Day Care	0	0	0	0
0	0	0	0	Cathays Community Centre	Director	Day Care	185	0	0	0
38	(1)	0	(1)	Cylch Meithrin Pwll Coch	Trustee	Childcare	44	0	0	0
0	0	0	0	Diverse Cymru	Director and Trustee	Primarily Trade Refuse	0	(1)	0	0
1,149	(91)	11	(45)	Huggard	Member of Management Committee	Primarily Supporting people	1,905	(215)	0	(4)
24	(3)	0	0	Llanrumney Hall Community Trust Ltd	Trustee	Primarily Trade Refuse	7	(4)	0	0
0	0	0	0	Llanrumney Phoenix Boxing Club	Trustee	Training Courses	33	0	0	0
0	0	0	0	Omidaze	Director	Hire of premises	6	0	0	0
0	0	0	0	Race Council Cymru	Trustee	Staff training	2	0	0	0
21	(4)	0	0	Safer Wales	Chief Executive Officer	Grant for Domestic Abuse support	64	(6)	0	(2)
60	0	0	0	Seren in the Community CIO	Trustee	Primarily Childrens Play Grant	14	0	0	0
0	0	0	0	Splott Community Volunteers	Trustee	Grant provision	2	0	0	0
137	(90)	0	(2)	Wales and the West Housing Association	Family Member is Chief Executive	Payment relates to supporting individuals in relation to alarm subsidy	152	(207)	27	(119)

2021/22				Related Party	Related Party Relationship	Transaction details	2022/23			
Transactions		Balances					Transactions		Balances	
Amounts paid by the Authority	Amounts received by the Authority	Amounts owed by the Authority	Amounts owed to the Authority				Amounts paid by the Authority	Amounts received by the Authority	Amounts owed by the Authority	Amounts owed to the Authority
£000							£000			
0	0	0	0	Welsh Hosptals and Health	Non Executive Director	Primarily Trade Refuse	0	(1)	0	0
2,618	(212)	12	(48)	Total transactions			2,614	(435)	27	(125)

Officer's emoluments are shown in note 8. In 2022/23, for organisations in which Senior Officers had an interest there were no goods or services commissioned (£0 in 2021/22). For goods and services provided, income of £97,000 was received in 2022/23 (£51,000 in 2021/22).

Subsidiary Companies include Cardiff City Transport Services (Cardiff Bus), Cardiff Business Technology Centre (CBTC), Atebion Solutions Ltd and Cardiff Heat Network Ltd. Details of transactions with these companies are shown in note 20 to the Core Financial Statements. The Council also participates in 6 Joint Committees. Details of these can be found in Note 4. Pension Fund contributions paid to the Fund are shown in note 13.

Precepts and Levies collected on behalf of other organisations and an analysis of amounts levied on the Council by other bodies can be found in note 3 to the Core Financial Statements. Separate to the precept, the Council made payments of £73,000 to Police and Crime Commissioner for South Wales during 2022/23 (£123,000 in 2021/22).

11. External Audit Costs

2021/22 £000		2022/23 £000
401	Fees payable to Audit Wales for external audit services	456
69	Fees payable to Audit Wales for the certification of grant claims	75
14	Fees payable to Audit Wales for other financial audit work	16
484	Total	547

12. Leasing

Council as Lessee

Operating leases

Operating leases exist in respect of properties, vehicles and other items of equipment. The following sums were charged to revenue in 2022/23

2021/22 £000		2022/23 £000
1,357	Property leases	1,520
2,130	Other leases	1,728
3,487		3,248

The Council was committed at 31 March 2023 to making payments of £12.531 million under operating leases (£12.995 million at 31 March 2022) comprising the following elements:

31 March 2022			31 March 2023	
Property Leases £000	Other Leases £000		Property Leases £000	Other Leases £000
		Minimum lease payments		
1,122	1,864	Not later than one year	287	2,447
1,028	2,052	Later than one year but not later than five years	936	2,137
6,897	32	Later than five years	6,702	22
9,047	3,948		7,925	4,606

Finance Leases

There were no finance leases recognised at 31 March 2023 (none in 2021/22) and there are currently no future obligations under finance leases.

Council as Lessor

Operating Leases

Operating leases exist in respect of land and buildings and the Council received revenue of £9.139 million in 2022/23 (£8.939 million in 2021/22)

The Council was committed as at 31 March 2023 to receiving income of £472.566 million (£476.917 million as at 31 March 2022) under operating leases for Land & Buildings comprising the following elements:

31 March 2022 £000	Minimum Income	31 March 2023 £000
8,687	Not later than one year	8,162
28,467	Later than one year and not later than five years	28,592
439,763	Later than five years	436,780
476,917		473,534

Finance Leases

There were no finance leases recognised at 31 March 2023 (none in 2021/22).

Subject to the terms and conditions of individual lease arrangements, the Council may have contractual obligations to repair, maintain or enhance certain properties.

13. Pensions

Participation in Pension Schemes

As part of the terms and conditions of employment of its employees, the Council offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments and this commitment needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in the following pension schemes which provide members with benefits related to pay and service:

- Teachers' Pension Scheme
- Local Government Pension Scheme
- Cardiff City Transport Services Pension Schemes

13.1 Teachers' Pension Scheme

Unless they opt out, teachers employed by the Council are members of the Teachers' Pension Scheme, administered by the Teacher's Pension Agency on behalf of the Department for Education. It is a defined benefit scheme and although it is unfunded, it is a notional fund as a basis for calculating the employer's contribution rate. However, it is not possible for the Council to identify its share of the underlying liabilities of the scheme attributable to its own employees and so for the purposes of the Statement of Accounts it is accounted for on the same basis as a defined contribution scheme, i.e. the cost charged to Net Cost of Services in the year is the cost of the Council's contributions to the scheme.

In 2022/23 the Council paid £33.870 million in respect of teachers' pension costs, which represents 23.7% of teachers' pensionable pay for 2022/23 (£32.252 million representing 23.7% of teachers' pensionable pay for 2021/22). In addition, the Council is responsible for the costs of any additional benefits awarded on early retirement outside of the Teachers' scheme. These benefits are fully accrued in the pension's liability for unfunded liabilities.

13.2 Local Government Pension Scheme

The Council's non-teaching employees are automatically enrolled unless they choose to opt out of joining the Cardiff and Vale of Glamorgan Pension Fund (The Fund), for which the Council acts as Administering Authority. This is a defined benefit scheme based on career-average pensionable salary. Both the Council and the employees pay contributions into the Fund, calculated at a level intended to balance its liabilities and assets.

The Local Government Pension Scheme is a funded scheme i.e. it has assets as well as liabilities. In addition, the Council has unfunded pension liabilities in respect of its commitment to make payments directly to certain pensioners arising from arrangements made in earlier years to award enhanced benefits.

The disclosures below relate to the Fund and, where applicable, certain unfunded benefits provided by the Employer as referred to above.

During 2020/21 the Council entered into a Deed of Agreement which confirms the subsumption of the Cardiff City Transport Services Ltd Local Government Pension Scheme (LGPS) liabilities as originally intended on the creation of the Company in 1986.

Transactions relating to retirement benefits

The core financial statements have been compiled in accordance with International Accounting Standards 19 – Employee Benefits (IAS 19) and for the Local Government Pension Scheme, include the cost to the Council of pension entitlements earned in the year rather than the cost of contributions paid into the Fund. The cost of entitlements earned which is known as the Current Service Cost has been recognised in the Net Cost of Services in the Comprehensive Income and Expenditure Statement. However, the charge that is required to be made against Council Tax in respect of pensions is to be based on the amount payable to the pension fund during the year. To achieve this, IAS 19 costs are reversed out in the Movement in Reserves Statement and replaced with the employers' contribution payable during the year.

The following table sets out the requisite transactions for the LGPS that have been made by Cardiff Council in the Comprehensive Income and Expenditure Statement and Movement in Reserves Statement during the year.

2021/22				2022/23		
Funded scheme £000	Unfunded liabilities £000	Total £000		Funded scheme £000	Unfunded liabilities £000	Total £000
			Comprehensive Income and Expenditure Statement (CIES)			
			Net Cost of Services			
104,900	0	104,900	Current service cost	108,573	0	108,573
1,470	0	1,470	Past service costs	1,130	0	1,130
			Financing & investment income and expenditure			
21,260	910	22,170	Interest on net defined benefit liability/(asset)	21,320	980	22,300
127,630	910	128,540	Net charge to CIES	131,023	980	132,003
			Remeasurement of the net defined liability comprising			
(124,670)	0	(124,670)	Returns on plan assets excluding amounts included in net interest	63,503	0	63,503
(160,590)	(1,210)	(161,800)	Actuarial (gains)/losses arising from changes in financial assumptions	(926,800)	(5,780)	(932,580)
(24,350)	(560)	(24,910)	Actuarial (gains)/losses arising from changes in demographic assumptions	(5,200)	(650)	(5,850)
7,570	(3,210)	4,360	Other experience and Actuarial adjustments	145,267	3,290	148,557
(302,040)	(4,980)	(307,020)	Total remeasurements recognised in Other Comprehensive Income	(723,230)	(3,140)	(726,370)
(174,410)	(4,070)	(178,480)	Total charged to CIES	(592,207)	(2,160)	(594,367)

2021/22				2022/23		
Funded scheme £000	Unfunded liabilities £000	Total £000		Funded scheme £000	Unfunded liabilities £000	Total £000
			Movement in Reserves Statement			
(127,630)	(910)	(128,540)	Reversal of net charges made for retirement benefits in accordance with IAS19	(131,023)	(980)	(132,003)
			Actual amount charged against Council Tax in respect of pensions for the year			
45,850	0	45,850	Employers contributions payable to the scheme	50,353	0	50,353
0	2,790	2,790	Payments in respect of unfunded pensions liabilities *	0	2,830	2,830
45,850	2,790	48,640	Total	50,353	2,830	53,183

* Included in this figure are enhanced benefits awarded to teachers for which the Council is responsible and some unfunded liabilities which are administered by Rhondda Cynon Taf (RCT) Council on behalf of the Council.

The net pension liability reported in the accounts includes a potential liability related to the McCloud judgement. The approach to this element of the valuation by the Pension Fund actuary, Aon, is consistent with the recommended approach.

Reconciliation of Funded Status to Balance Sheet

31 March 2022				31 March 2023		
Funded scheme £000	Unfunded liabilities £000	Total £000		Funded scheme £000	Unfunded liabilities £000	Total £000
(2,476,000)	(44,720)	(2,520,720)	Opening present value of liabilities	(2,412,110)	(37,860)	(2,449,970)
(104,900)	0	(104,900)	Current service cost	(108,573)	0	(108,573)
(51,540)	(910)	(52,450)	Interest cost	(64,520)	(980)	(65,500)
(13,410)	0	(13,410)	Contributions by participants	(15,030)	0	(15,030)
177,330	4,980	182,310	Remeasurements in Other Comprehensive Income (OCI)	786,733	3,140	789,873
57,880	2,790	60,670	Net benefits paid out *	61,550	2,830	64,380
(1,470)	0	(1,470)	Past service cost	(1,130)	0	(1,130)
(2,412,110)	(37,860)	(2,449,970)	Closing present value of liabilities	(1,753,080)	(32,870)	(1,785,950)
1,440,850	0	1,440,850	Opening fair value of assets	1,597,220	0	1,597,220
30,280	0	30,280	Interest income	43,200	0	43,200
124,710	0	124,710	Remeasurement gains/(losses)	(63,503)	0	(63,503)
45,850	2,790	48,640	Contributions by employer	50,353	2,830	53,183
13,410	0	13,410	Contributions by participants	15,030	0	15,030
(57,880)	(2,790)	(60,670)	Net benefits paid out *	(61,550)	(2,830)	(64,380)
1,597,220	0	1,597,220	Closing fair value of assets	1,580,750	0	1,580,750
(814,890)	(37,860)	(852,750)	Net pension asset/(liability)	(172,330)	(32,870)	(205,200)

*The figures for net benefits paid out consists of net cash-flow out of the Fund in respect of the employer, excluding contributions and any death in service lump sums paid, and including an approximate allowance for the expected cost of death in service lump sums.

It is important to note that this is a snapshot of the position as at 31 March 2023. The Pension Fund is a defined benefit scheme, which means that members' benefits are not linked to stock market performance. The Pension Fund is a long-term investor and members can be assured that contributions are reviewed as part of the triennial valuation.

There has been a significant decrease in the pension liability at 31 March 2023 as compared to the previous year. This is primarily due to the change in interest rates which impacts the discount rate used in the actuarial assumptions as shown in the table below which sets out the basis for estimating assets and liabilities.

Contributions for year ending 31 March 2024

Local Government Scheme - employer's regular contributions to the Fund for the accounting period ending 31 March 2024 are estimated to be £50.550 million. Additional contributions may also become due in respect of any employer discretions to enhance members' benefits in the Fund over the next accounting period.

Unfunded liabilities - in the accounting period ending 31 March 2024 the Council expects to pay £3.261 million directly to beneficiaries.

Basis for estimating assets and liabilities

The LGPS principal assumptions used by the independent qualified actuaries in updating the full March 2022 valuation figures as at 31 March 2023, for IAS19 purposes, are shown in the following table:

31 March 2022	Assumptions	31 March 2023
	Longevity at 45 for current pensioners (years)	
23.2	Men	23.2
26.0	Women	25.8
	Longevity at 65 for current pensioners (years)	
22.1	Men	22.6
24.6	Women	24.7
	Rates	
3.0%	Rate of inflation - Consumer Price Index (CPI)	2.7%
4.0%	Rate of general increase in salaries	3.7%
3.0%	Rate of increase to pensions in payment	2.7%
3.0%	Rate of increase to deferred pensions	2.7%
2.7%	Discount rate for scheme liabilities	4.7%

Asset Allocation

The approximate split of assets for the Fund as a whole is shown in the following table. The asset allocation in the fund is notional and the assets are assumed to be invested in line with the investments of the Fund set out below for the purposes of calculating the return to be applied to those notional assets.

The Council does not invest in property or assets related to itself. However, it is possible that assets may be invested in shares relating to some of the private sector employers participating in the Fund if it forms part of the balanced investment strategy.

31 March 2022				31 March 2023		
Quoted %	Unquoted %	Total %	Assets	Quoted %	Unquoted %	Total %
63.8	3.7	67.5	Equities	63.4	4.5	67.9
6.9	0.0	6.9	Property	7.2	0.0	7.2
9.2	0.0	9.2	Government Bonds	8.8	0.0	8.8
8.4	0.0	8.4	Corporate Bonds	7.6	0.0	7.6
5.7	0.0	5.7	Multi Asset Credit	5.3	0.0	5.3
2.3	0.0	2.3	Cash	3.2	0.0	3.2
96.3	3.7	100.0	Total	95.5	4.5	100.0

History of Asset Values, Present Value of Liabilities and Surplus/(Deficit)

	31 March 2019	31 March 2020	31 March 2021	31 March 2022	31 March 2023
	£000	£000	£000	£000	£000
Fair value of assets	1,317,980	1,183,130	1,440,850	1,597,220	1,580,750
Present value of funded liabilities	(1,931,978)	(1,974,720)	(2,476,000)	(2,412,110)	(1,753,080)
Present value of unfunded liabilities	(48,720)	(44,120)	(44,720)	(37,860)	(32,870)
Surplus/(deficit)	(662,718)	(835,710)	(1,079,870)	(852,750)	(205,200)

Sensitivity Analysis of Present Value of Funded Liabilities

Results of sensitivity are shown below, in each case, only the assumption mentioned is altered and all other assumptions remain the same. The sensitivity of unfunded benefits is not included on materiality grounds.

Funded defined benefit obligation £205,200,000	+0.1% p.a		-0.1% p.a	
Change in assumptions on present value of the funded defined benefit obligations	£000	% Increase / Decrease to Defined Benefit Obligation		£000
Adjustment to discount rate	1,723,280	-1.7%	1.7%	1,782,880
Adjustment to salary increase rate	1,756,590	0.2%	-0.2%	1,749,570
Adjustment to pension increase rate	1,779,380	1.5%	-1.5%	1,726,780
	-1 year		1 year	
Adjustment to mortality rate	1,800,410	2.7%	-2.7%	1,705,750

13.3 Cardiff Bus Pension Schemes

In March 2021 the Council entered into a Flexible Apportionment Arrangement (FAA) in respect of the Cardiff City Transport Services Limited (Cardiff Bus) Pension Scheme. Under this arrangement, the company ceased to be the employer of the scheme and the Council became the Scheme's principal employer and the sole statutory employer of the scheme. The scheme relates to two defined benefit funded pension schemes

administered by Trustees under a Deed and closed to any new entrants and future accrual. Assets held are invested in third party professionally managed funds. The level of contributions made to the schemes and the cost of contributions included in the financial statements are based on the recommendations of independent actuaries and will be updated as part of the next triennial valuation as at 31 March 2024. The transfer also includes a defined contribution scheme which carries a guaranteed minimum return for its members, which is also closed to new members.

Reconciliation of Funded Status to Balance Sheet

31 March 2022 £000	Cardiff Bus Defined Contribution Pension Scheme	31 March 2023 £000
(13,138)	Opening present value of liabilities	(12,980)
(242)	Interest cost	(342)
(468)	Remeasurement (gains)/losses	4,768
868	Net benefits paid out	363
(12,980)	Closing present value of liabilities	(8,191)
11,891	Opening fair value of assets	10,925
218	Interest income	286
(316)	Remeasurement gains/(losses)	(3,204)
(868)	Net benefits paid out	(363)
10,925	Closing fair value of assets	7,644
(2,055)	Net pension asset/(liability)	(547)

31 March 2022 £000	Cardiff Bus Defined Benefit Pension Scheme	31 March 2023 £000
(40,045)	Opening present value of liabilities	(38,142)
(751)	Interest cost	(1,012)
1,596	Remeasurement (gains)/losses	10,310
1,058	Net benefits paid out	1,323
(38,142)	Closing present value of liabilities	(27,521)
40,694	Opening fair value of assets	39,942
765	Interest income	1,064
(459)	Remeasurement gains/(losses)	(12,224)
(1,058)	Net benefits paid out	(1,323)
39,942	Closing fair value of assets	27,459
1,800	Net pension asset/(liability)	(62)

31 March 2022 %	Cardiff Bus Defined Benefit Pension Scheme Assets	31 March 2023 %
0.0	Equities	19.7
24.3	Diversified Growth Funds	19.5
21.7	Cash & Liability Driven Investments	12.4
54.0	Bonds	48.4
100.0	Total	100.0

14. Non-Current Assets

Property, Plant and Equipment	Council Dwellings	Other Land & Buildings	Vehicles, Plant & Equipment	Community Assets	Surplus Assets	P, P & E under construction	Total Property, Plant & Equipment
Movements in Cost or Values	£000	£000	£000	£000	£000	£000	£000
1 April 2021	630,782	851,257	49,430	19,897	74,686	66,854	1,692,906
Additions	28,529	27,589	16,678	727	8,928	56,727	139,178
Revaluations Increases/(Decreases) recognised in the RR*	11,734	4,629	0	0	(839)	0	15,524
Revaluations Increases/(Decreases) recognised in the SDPS**	(30,337)	(50,081)	0	(96)	(5,459)	0	(85,973)
Impairment Losses/Reversals to RR	0	(541)	0	0	(40)	0	(581)
Impairment Losses/Reversals to SDPS	600	(1,374)	0	0	(560)	(36)	(1,370)
Derecognition - Disposals	0	(781)	(3,451)	0	0	(36)	(4,268)
Reclassified (to)/from Held for Sale	0	0	0	0	395	0	395
Other Reclassifications - Transfers	12,292	6,592	2,280	3,048	(803)	(34,289)	(10,880)
31 March 2022	653,600	837,290	64,937	23,576	76,308	89,220	1,744,931
Additions	30,458	28,746	7,244	1,704	240	86,794	155,186
Revaluations Increases/(Decreases) recognised in the RR	846	3,584	0	0	377	0	4,807
Revaluations Increases/(Decreases) recognised in the SDPS	0	(8,146)	0	0	(660)	0	(8,806)
Impairment Losses/Reversals to RR	0	(112)	0	0	0	0	(112)
Impairment Losses/Reversals to SDPS	(1,362)	(17,011)	0	0	(3,786)	(13)	(22,172)
Derecognition - Disposals	0	(1)	(5,248)	0	(3,450)	(13)	(8,712)
Reclassified (to)/from Held for Sale	0	0	0	0	(4,000)	0	(4,000)
Other Reclassifications - Transfers	15,276	(784)	636	168	1,743	(20,417)	(3,378)
31 March 2023	698,818	843,566	67,569	25,448	66,772	155,571	1,857,744
Movements in Depreciation/Impairment							
1 April 2021	9,325	50,112	20,962	0	0	0	80,399
Depreciation Charge	9,534	22,841	8,317	0	0	0	40,692
Depreciation written out on Impairment	0	0	0	0	0	0	0
Depreciation written out to the RR	0	(17,093)	0	0	0	0	(17,093)
Depreciation written out to the SDPS	(9,324)	(32,939)	0	0	0	0	(42,263)
Derecognition - Disposals	0	(781)	(3,440)	0	0	(36)	(4,257)
Reclassifications - Transfers	600	0	0	0	(600)	0	0
31 March 2022	10,135	22,140	25,839	0	(600)	(36)	57,478
Depreciation Charge	10,439	25,754	8,646	0	0	0	44,839
Depreciation written out on Impairment	0	0	0	0	0	0	0
Depreciation written out to the RR	0	(5,603)	0	0	(21)	0	(5,624)
Depreciation written out to the SDPS	0	(12,674)	0	0	0	0	(12,674)
Derecognition - Disposals	0	(1)	(5,248)	0	(3,450)	(13)	(8,712)
Reclassifications - Transfers	0	(24)	0	0	24	0	0
31 March 2023	20,574	29,592	29,237	0	(4,047)	(49)	75,307
Net Book Value							
At 31 March 2022	643,465	815,150	39,098	23,576	76,908	89,256	1,687,453
At 31 March 2023	678,244	813,974	38,332	25,448	70,819	155,620	1,782,437

*RR Revaluation Reserve

**SDPS Surplus or Deficit on Provision of Services

2021/22	Net Book Value	2022/23
304,749	Infrastructure Assets	310,542
1,687,453	Other PPE Assets	1,782,437
1,992,202	Total PPE Assets	2,092,979

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.

As detailed in the revised guidance applicable to all authorities, the authority 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.

The authority has determined in accordance with Regulation 24L Wales of the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 (as amended) that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure, is nil.

The Infrastructure Assets Net Book Value is as follows:

2021/22 £000		2022/23 £000
285,682	Net Book Value at 1 April	304,749
33,063	Additions	27,637
(22,701)	Depreciation	(23,614)
8,705	Other movements in cost (Reclassification)	1,770
304,749	Net Book Value at 31 March	310,542

Heritage Assets

2021/22 £000		2022/23 £000
58,682	Balance at 1 April	58,849
167	Additions	219
0	Revaluation increases/(decreases) to RR	8,887
58,849	Balance at 31 March	67,955

The Council has tangible heritage assets which consist mainly of the following three categories: -

- public art
- scheduled ancient monuments for which it is responsible
- paintings, artefacts and civic regalia and antiquarian books
-

The notes below indicate the treatment of each of the above three categories in these accounts.

Public art - there are over 100 pieces of public art owned by the Council across the city, including freestanding artworks and significant pieces integrated into the design of buildings. These assets are not

identified or valued separately in the Council's Balance Sheet as conventional valuation approaches lack sufficient reliability. In addition, the costs of obtaining valuations for these items would be disproportionate to the benefits. Details of these assets are held within the Cardiff Public Art Register, which is available on the Council's internet site <http://www.cardiff.gov.uk/citydesign>.

Scheduled ancient monuments - the Council is responsible or part responsible for 20 of the 31 scheduled ancient monuments in the city. These are required to be protected for their contribution to knowledge and culture and include prehistoric burial sites and mounds, castles and forts, religious sites, defence structures as well as other sites of industrial significance. Unless expenditure has been incurred on these assets previously, these sites are not included in the Council's accounts at historic cost or value. Given the unique and often diverse nature of these assets, conventional valuation approaches lack sufficient reliability and the costs of obtaining valuations for these items would be disproportionate to the benefits. Details of these monuments are held within the scheduled ancient monuments in Cardiff information leaflet which is available on <http://www.cardiff.gov.uk/conservation>.

Paintings, artefacts, civic regalia and antiquarian books - the Council has a collection of paintings, artefacts, civic regalia and antiquarian books much of which is related to local interest. The main items in terms of number and value are collections are at Cardiff Castle reflecting its historic significance and interpretation for visitors. Other items held at public buildings have been accumulated over a number of years. Paintings, artifacts and Civic regalia are included in the balance sheet at £42.379 million and were valued by Mr. A.N. Schoon, Antiques and Fine Art Valuer in 2022/23. Antiquarian books were valued for the first time for inclusion in the Accounts, by Bernard Quaritch Ltd. at £9.101 million in 2022/23.

Council policy on acquisitions, disposals, care and conservation - where resources allow, the Council will seek to create, acquire and preserve heritage resources for the benefits of its citizens in partnership with other public and private sector bodies using grant and other funding opportunities. Acquisitions are rare, although public art is often commissioned as part of regeneration schemes.

For assets held at the castle, acquisition, disposal and care is undertaken in accordance with the museum accreditation scheme. The statutory requirements placed upon the owners of scheduled ancient monuments are likely to make the disposal of assets within Council ownership unviable. Before any work, alteration or controlled archaeological excavations are undertaken, consent is obtained from the Welsh Government.

Investment Properties

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

2021/22 £000		2022/23 £000
156,238	Balance at 1 April	150,718
17,180	Additions	20,033
(12)	Impairment	0
(50)	Disposals	(2,150)
0	Reclassified (to)/from Held for Sale	0
2,175	Other Reclassifications	1,397
0	Revaluation increases/(decreases) to RR*	0
(24,813)	Revaluation increases/(decreases) to SDPS**	(2,438)
150,718	Balance at 31 March	167,560

* Revaluation Reserve

** Surplus/Deficit on Provision of Services

The following items have been accounted for within Financing and Investment in the Comprehensive Income and Expenditure Statement:

2021/22 £000		2022/23 £000
(10,318)	Rental income from investment property	(12,066)
3,273	Direct operating expenses arising from investment property	4,128
(7,045)	(Surplus)/Deficit on Investment Properties	(7,938)

Intangible Assets

Movements in intangible assets during 2022/23 are summarised as follows:

2021/22 £000		2022/23 £000
	Cost or Valuation	
4,418	Balance at 1 April	4,740
352	Additions	359
0	Reclassifications -Transfers	209
(30)	Derecognition - Disposals	(2,134)
4,740	Balance at 31 March	3,174
	Amortisation	
2,707	Balance at 1 April	3,605
928	Amortisation	604
(30)	Derecognition - Disposals	(2,133)
3,605	Balance at 31 March	2,076
	Net Book Value:	
1,135	Balance at 31 March	1,098

Capital Expenditure and Capital Financing

Capital expenditure incurred in the year is shown in the following table, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by borrowing, it results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be paid for. Prudent provision for the repayment of external borrowing reduces the CFR.

2021/22 £000		2022/23 £000
858,757	Opening Capital Financing Requirement*	885,949
	Capital Expenditure:	
172,241	Property, Plant and Equipment incl Infrastructure Assets	182,823
167	Heritage Assets	219
137	Assets Held for Sale	0
17,180	Investment Properties	20,033
352	Intangible Assets	359
7,751	Loans/Equity	449
19,306	Expenditure on REFCUS	25,303
	Sources of Finance:	
(3,781)	Capital Receipts	(10,378)
(136,674)	Government grants and other contributions	(131,009)
0	City Deal additional funding	(2,600)
(3,940)	Direct revenue contributions and reserves	(3,995)
(45,547)	Prudent revenue and capital provision for loan repayment	(40,825)
0	Amendment for previous manual adjustments**	10,688
885,949	Closing Capital Financing Requirement*	937,016
	Explanation of movements in year:	
0	Amendment for previous manual adjustments**	10,688
2,437	Increase/(Decrease) in underlying need to borrow (supported by government financial assistance)	2,414
24,755	Increase/(Decrease) in underlying need to borrow (unsupported by government financial assistance)	37,966
27,192	Increase in Capital Financing Requirement	51,068

*This includes a notional amount in respect of Landfill provision of 2022/23 £15.309 million and 2021/22 £16.329 million for landfill restoration and after care. Where future cost estimates are reviewed, this results in either an increase or decrease in the provision.

**adjustment to reverse historic manual adjustments to the CFR note that should not have had an impact on the Council's CFR balance. This includes adjustments made re CCRCD and notional VAT transactions. The correcting amendments align this disclosure note to the balance of the CFR as calculated in accordance with the balance sheet.

Prudent Revenue Provision

The Council is required to set aside annually from its revenue budget, a prudent amount for the repayment of borrowing historically undertaken to pay for capital expenditure. The amount is set having regard to Welsh Government Guidance and a policy agreed by Council as part of its budget proposals each year. This amount reduces the Council's underlying need to borrow, the Capital Financing Requirement (CFR).

Depreciation, impairment charges and finance lease charges included in the Comprehensive Income and Expenditure Statement are accounting charges. These are reversed and replaced by the prudent revenue provision via an appropriation to/from the Capital Adjustment Account in the Movement in Reserves Statement.

2021/22		2022/23
£000		£000
31,523	Council Fund provision	27,928
13,015	Housing Revenue Account provision	12,566
44,538	Prudent revenue provision	40,494

Revenue Expenditure funded from Capital under Statute (REFCUS)

The following revenue amounts were treated as capital expenditure to be paid for from capital resources. The table includes expenditure on items that do not result in the creation or enhancement of an asset for the Council or where specific approval has been received from Welsh Government to treat such expenditure as capital expenditure and meet from capital resources.

2021/22		2022/23
£000		£000
	Expenditure:	
5,117	Housing Improvement Grants	6,303
9,837	Buildings not owned by Cardiff Council	8,836
4,352	Grants awarded (not Housing Grants)	3,683
0	Repayment of Grant	6,481
19,306	Charged to Income and Expenditure Statement	25,303
	Funded by:	
(16,613)	Grants and Contributions	(16,896)
(2,693)	Borrowing, Receipts and other Capital Resources	(8,407)
(19,306)		(25,303)

Significant Capital Expenditure contractual commitments

At 31 March 2023, the significant capital expenditure commitments scheduled for completion in 2022/23 and future years is shown below (£117.758 million 2021/22):

Capital Scheme	£000
Fairwater Campus Enabling Works	22,747
New Build Housing - Bute Street Community Living	14,460
New Build Housing - Leckwith Road Community Living	13,300
Moorland Primary School	5,977
Arena Pre-Contract Service Agreement	5,000
Cardiff Living Housing - Eastern High	4,804
Fitzalan High School	4,704
Cardiff Living Housing - Brookfield Drive	4,498
City Centre East Transport & Canal Public Realm Works	3,429

Capital Scheme	£000
Pentyrch Primary School Extension and Nursery	2,646
New Build Housing - Iorwerth Jones Centre	2,445
Lydstep Flats Recladding	1,840
Allensbank Roof Replacement Scheme	1,749
Gladstone Primary School Roof Replacement Scheme	1,329
Transport Interchange South Entrance Highway Scheme	1,205
Oak House Refurbishment	1,045
Fairwater Campus Professional Services	815
New Build Housing - Wakehurst Place	765
LED Residential Street Lighting	607
County Hall Alarm Receiving Centre (ARC) and Telecare	593
A4119 Bus Corridor Improvements	579
Cardiff Living Housing - Howardian	535
Total	95,072

15. Financial Instruments

Financial Instrument Balances

The following categories of Financial Instruments (Assets and Liabilities) are included in the Balance Sheet. They arise as a result of the Council's Treasury Management activities as well as Financial Instruments issued to further service objectives. Further detail, and where applicable and material, a Fair value is shown in the sections below, including the method of determining fair value in accordance with accounting policies for Financial Assets and Liabilities, and consideration of the business model for holding investments. Creditors are shown separately in the respective notes rather than as financial instruments:

31 March 2022				31 March 2023		
Long Term	Short Term	Total		Long Term	Short Term	Total
£000	£000	£000		£000	£000	£000
			Financial assets at amortised cost:			
0	210,012	210,012	Investments - Principal	0	96,736	96,736
0	93	93	Investments - Accrued Interest	0	512	512
0	23,718	23,718	Cash & Cash Equivalents	0	56,514	56,514
0	33	33	Cash & Cash Equivalents - Accrued Interest	0	80	80
0	233,856	233,856	Total Investments at Amortised Cost Included in Investments	0	153,842	153,842
24,749	0	24,749	Total Investments at Fair Value through Other Comprehensive Income	27,596	0	27,596
2,103	449	2,552	Loans	1,336	1,339	2,675
8,803	183,851	192,654	Other Debtors	10,436	186,467	196,903
10,906	184,300	195,206	Total Debtors	11,772	187,806	199,578
35,655	418,156	453,811	Total Financial Assets	39,368	341,648	381,016
			Financial liabilities at amortised cost:			

31 March 2022				31 March 2023		
Long Term	Short Term	Total		Long Term	Short Term	Total
£000	£000	£000		£000	£000	£000
(832,819)	(22,802)	(855,621)	Loans - Principal	(850,737)	(4,419)	(855,156)
0	(8,509)	(8,509)	Loans - Accrued Interest	0	(8,431)	(8,431)
(832,819)	(31,311)	(864,130)	Total Borrowings	(850,737)	(12,850)	(863,587)

Investments at amortised cost include:

- temporary investments deposited for various maturities with financial institutions. The fair value is deemed to be the carrying value (Level 2).

Investments at Fair Value through Other Comprehensive Income include:

- the Council's 100% shareholding in Cardiff City Transport Services Limited. The Council's shareholding is not listed on any quoted market, however accounting rules require a fair value to be estimated. The valuation estimate is based on the net worth of the company as per its draft set of financial accounts (Level 3). The valuation can fluctuate dependent on the company's performance, technical accounting adjustments and economic climate and so any accounting valuation should be used with caution. Any change in value is offset by a corresponding movement to the 'Financial Instruments Revaluation Reserve'; hence there is no impact on Council Tax payable. During 2021/22, the Board of Cardiff Bus authorised the issue of additional shares and the Council agreed the acquisition of these shares at a value of £6.6 million as part of the implementation of a financial support package. No further shares have been issued during 2022/23. The fair value of the investment at 31 March 2023 is estimated to be £25.451 million (£24.046 million in 2021/22)
- various minority equity holdings in companies are included either at cost or at quoted prices where available.

The above are held or acquired for Council policy purposes and have been elected to be accounted for as Fair Value through Other Comprehensive Income.

Debtors include:

- loans to small to medium enterprises including those for town centre regeneration and car loans to eligible Council staff
- grants, income due from service users, partners, deferred capital receipts to be received and offset by an impairment for credit losses where applicable.

Liabilities at Amortised Cost include:

- external borrowing undertaken to fund capital expenditure and short term cash flow requirements. It includes Lender Option Borrower Option Loans (LOBO) which allow the lender to change the rate of interest at specified periods, allowing the Council to either accept the new rate or repay the loan before the contractual maturity date. The date of maturity for such instruments is assumed to be the contractual period to maturity rather than the next date that the lender could request a change in the rate. Where possible and viable, opportunities for early repayment are considered. The carrying

amounts below also include accrued interest payable at 31 March 2023 Interest payable for 2022/23 is £8.431 million (£8.509 million in 2021/22).

31 March 2022			Valuation Method - Level	31 March 2023	
Carrying amount £000	Fair value £000			Carrying amount £000	Fair value £000
(770,882)	(983,511)	Public Works Loan Board Loans (PWLB)	Level 2	(767,521)	(715,282)
(51,632)	(70,297)	Lender Option Borrower Option	Level 2	(51,637)	(46,624)
(23,281)	(17,828)	Welsh Government	Level 2	(44,399)	(32,594)
(18,335)	(18,316)	Local Authorities and other loans	Level 2	(30)	(30)
(864,130)	(1,089,952)	Financial Liabilities		(863,587)	(794,530)

The fair value of borrowing and financial liabilities is less than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is lower than the rates available for similar loans at the Balance Sheet date.

Fair value calculations use the following assumptions:

- for PWLB debt, the transfer or fair value shown in the table is based on new borrowing rates from the PWLB for equivalent loans at 31 March 2023. An exit price fair value of £816.065 million is also calculated using early repayment discount rates which are lower than equivalent loan rates. The Council has no contractual obligation to pay these penalty costs and would not incur any additional cost if the loans run to their planned maturity date
- for other market debt and investments, the discount rate used is the rate available for an instrument with the same terms from a comparable lender
- no early repayment or impairment is recognised.

Financial Instrument Gains/Losses

The following table shows the gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to Financial Instruments. It includes interest payable on borrowing, amounts receivable on investments, gains on disposal of investments and also movements from estimating changes in value of investments at fair value.

Financial Liabilities	Financial Assets				Financial Liabilities	Financial Assets		
	Measured at Amortised Cost	Amortised Cost	Investments at Fair Value through Other Comprehensive Income			Total	Measured at Amortised Cost	Amortised Cost
2021-22 £000					2022-23 £000			
34,108	0	0	34,108	Interest Payable & Similar Charges	34,175	0	0	34,175
0	(381)	0	(381)	Interest and Investment Income	0	(3,332)	0	(3,332)
0	0	(98)	(98)	(Gain)/loss arising on Disposal/ Derecognition of Financial Assets	0	0	(63)	(63)
0	0	(3,382)	(3,382)	(Gain)/loss arising on Revaluation or Disposal of Financial Assets	0	0	(1,376)	(1,376)
34,108	(381)	(3,480)	30,247	Net (gain)/loss for the year	34,175	(3,332)	(1,439)	29,404

Nature and Extent of Risks arising from Financial Instruments

The Council's activities in relation to financial instruments whether for treasury management purposes or service objectives expose it to a variety of risks. In undertaking its treasury management activities, the overriding objective is to minimise the risk of adverse consequences or loss, whilst at the same time not unduly constraining investment returns or unnecessarily incurring interest costs. Given the nature of investments, a trade-off between security, liquidity and yield cannot be avoided i.e. there is risk of default. This risk is enhanced when loans to external organisations are provided for service delivery objectives and indicators of significant impairment are considered at the balance sheet date.

Treasury management risks include credit and counterparty, liquidity and refinancing, interest rate, market value, exchange rate, fraud and regulatory risk. The Council has Treasury Management Practices to address and mitigate these risks. It has adopted the CIPFA Treasury Management Code of Practice and sets indicators to control key financial instrument risks. Further details in relation to key risks are disclosed in the following sections where relevant.

Credit Risk

Risk that other parties may fail to pay amounts due to the Council. It arises from lending of temporary cash balances as part of the Council's Treasury Management activities, from sums owed by the Council's customers and from organisations to whom a loan has been provided.

An impairment for bad debt is made where there is deemed to be a risk of expected credit losses. The following table summarises the Council's main exposures to credit risk.

31 March 2022 £000	Likelihood of Default	31 March 2023 £000
	<p>Deposits are placed with banks and building societies that have Fitch minimum criteria of F1 (i.e. highest credit quality), local authorities or Debt Management Account Deposit Facility (DMADF). Lending is restricted to a maximum amount and duration for each financial institution, also taking into account the extent of public ownership and sovereign rating.</p> <p>A risk of non-recoverability applies to all of the Council's deposits, requiring rigorous monitoring of credit risk and credit criteria. The Council uses treasury management advisors who assist in this process. Using historic data adjusted for current financial market conditions and based on the level of counterparty exposure at 31 March 2023, the expected credit loss calculated on a historic risk of default basis is 0.004% or £3,139. This is minimal, so no provision for expected credit loss is recognised.</p> <p>The value of deposits will fluctuate daily as a result of the timing of many transactions. The decrease of £76.955 million from 31 March 2022 is primarily as a result of lower working capital. There are also capital expenditure outflows in the year to be paid for by borrowing in future years of £55 million.</p>	
233,856	Deposits- Banks, Building Societies, Local Authorities, DMADF	153,842
	Repayments are recovered directly from employees pay and indemnity insurance is a condition of the loan. Default experience is minimal.	
282	Car Loans	198
	Includes loans to SME's and Town Centre regeneration. Where there is deemed to be a risk of non-repayment a provision for impairment is considered.	
2,269	Loans to External bodies	2,478
	<p>The Council does not generally allow credit for customers and provision is made for non-payment based on the age profile of outstanding debt, adjusted for large invoices known to have been settled after the balance sheet date and any other material factors that could affect the sum collectable. Other debt such as grant income due from government bodies and year-end accruals of income is considered to be 100% collectable and impairment for non-payment is not considered necessary. The impairment for bad debt in 2022/23 was based on the adjusted age profile disclosed as following:</p>	
17,123	Less than one year	27,119
1,456	1-2 years	1,724
614	2-3 years	788
337	3-4 years	467
166	4-5 years	336
497	Over 5 years	533
20,193	Customers	30,967
256,600	Total	187,485

Liquidity and Refinancing Risk

This is the possibility that the Council may not have funds available to make payments or may have to refinance a financial liability at disadvantageous interest rates or terms. The Council has ready access to funds from the financial markets and Public Works Loan Board in order to raise finance. Within its Treasury Management Strategy, limits are set on the proportion of its fixed rate loans maturing during specified periods. The amounts of fixed rate debt maturing in any period are disclosed in the following table:

31 March 2022 £000	Loans Outstanding	31 March 2023 £000
763,077	Public Works Loans Board	759,727
51,000	Market Lender Option Borrower Option (LOBO)	51,000
23,281	Welsh Government	44,399
18,263	Local Authorities and other loans	30
855,621	Total	855,156
22,803	Under 12 months	4,419
0	CCRCD	17
4,459	12 months and within 24 months	4,358
18,187	24 months and within 5 years	29,550
76,638	5 years and within 10 years	100,365
174,522	10 years and within 20 years	174,434
176,800	20 years and within 30 years	182,800
217,888	30 years and within 40 years	214,213
159,324	40 years and within 50 years	140,000
5,000	50 years and within 60 years	5,000
855,621	Total	855,156

Currently, £24 million of the LOBO loans are subject to the lender having the right to change the rate of interest payable during the next financial year. The Council has the right to refuse the change, triggering early repayment and the need to re-finance. Details are shown in the following table:

£m	Potential Repayment Date	Option Frequency	Full Term Maturity
6	22/05/2023	6 months	21/11/2041
6	22/05/2023	6 months	21/11/2041
6	22/05/2023	6 months	23/05/2067
6	01/09/2023	6 months	23/05/2067
22	21/11/2025	5 years	23/11/2065
5	17/01/2028	5 years	17/01/2078

Interest Rate Risk

The possibility that financial loss might arise for the Council as a result of changes in interest rates. The main impacts of interest rate movements are set out below:

Variable affected by interest rate fluctuations	Impact of Variation	Actions to mitigate interest rate risk
Interest earned on variable rate investments	Interest rate rises will increase income credited to the Comprehensive Income and Expenditure Statement, while reductions may result in less income than budgeted.	Production and Council approval of a Treasury Management Strategy at the start of each financial year with a spread of maturity profiles for investments.
Interest paid on variable rate borrowings	If interest rates rise, lenders may exercise options to increase rates in a Lender Option Borrower Option loan potentially increasing the interest expense charged to the Comprehensive Income and Expenditure Statement, should the Council accept the higher rate.	Interest rate forecasts based on advice from treasury management advisors are built into the budget and monitored regularly throughout the year. The Council's borrowing is primarily at fixed, rather than variable, interest rates.
Fair value of fixed rate financial assets	Interest rate rises will have no material effect on fair value, as the current periods of such assets are very short term, hence fair value is not disclosed.	By borrowing and investing fixed rate, the Council aims to minimise the revenue impact of interest fluctuations to provide stability for planning purposes. Council borrowing is primarily at fixed rather than variable rates.
Fair value of fixed rate financial liabilities	Fair value will fall if interest rates rise. This will not impact on the Comprehensive Income and Expenditure Statement or Balance Sheet values for the majority of assets held at amortised cost, but will impact on the disclosure note for fair value.	

To give an indication of the Council's sensitivity to interest rate change, the table below indicates the estimated impact on the Comprehensive Income and Expenditure Statement had interest rates during 2022/23 been on average 1% higher with all other variables held constant.

Interest Rate Risk Income and Expenditure Account	£000
Increase in interest payable on borrowings	94
Increase in interest receivable on investments	(1,188)
Impact on Income and Expenditure Account	(1,094)
Increase in interest transferred to other balances and accounts	372
Net (Income)/ Expenditure	(722)

The impact of a 1% fall in interest rates may not have exactly the opposite effect, since financial instruments with calls may not be exercised by the lender or borrower.

Changes in Fair Value	£000
Change in Fair Value of fixed rate investments	0
Change in Fair Value of fixed rate borrowings	(96,729)

Foreign exchange risk

The Council's exposure to loss arising from movements in exchange rates is minimal. Borrowing and investments are carried out only in sterling.

Price Risk

This is the possibility of the Council having financial gains or losses from movements in prices of financial instruments. Whilst the Council's approved Treasury Management policy allows investments in financial instruments such as bank certificates of deposit and Government bonds, the Council invests primarily in instruments where the sum returned on maturity is the same as the initial amount invested. For service investment purposes, the Council has equity holdings of £21,000 (£41,000 in 2021/22) which are quoted on a recognised stock exchange at 31 March 2023

The Council's 100% shareholding in Cardiff City Transport Services Ltd is not quoted on a recognised exchange and thus not subject to gains or losses from market price movements. A general shift of 5% in the fair value (positive or negative) would result in a £1.272 million gain or loss being recognised in the Movement in Reserves Statement in terms of valuations for accounts purposes only.

16. Assets Held for Sale

31 March 2022		31 March 2023
£000		£000
918	Balance at 1 April	0
137	Additions	0
(660)	De-recognition	0
0	Impairment	0
(395)	Reclassified to/(from) Held for Sale	4,000
0	Balance at 31 March	4,000

17. Short Term Debtors

31 March 2022		31 March 2023
£000		£000
108,295	Central Government Bodies	118,295
15,954	Other Local Authorities & NHS Bodies	17,310
60,051	Other Entities & Individuals including Public Corporations	52,201
184,300	Total Short-Term Debtors	187,806

18. Cash and Cash Equivalents

31 March 2022 £000		31 March 2023 £000
148	Cash	158
6,432	Bank (including cheque book schools and CCRCD)	(7,860)
17,171	Short-term deposit with banks & building societies	64,296
23,751	Total Cash and Cash Equivalents	56,594

19. Short Term Creditors

31 March 2022 £000		31 March 2023 £000
(55,691)	Central Government Bodies	(25,004)
(10,204)	Other Local Authorities & NHS Bodies	(14,584)
(109,950)	Other Entities & Individuals including Public Corporations	(99,349)
(175,845)	Total Short Term Creditors	(138,937)

20. Interests in Other Companies and Other Organisations

The Council has five wholly owned subsidiary companies. The interest in Cardiff City Transport Services Ltd is consolidated to form the Council's group accounts which are shown later in these Statements. The interests in the other four organisations are considered immaterial in terms of the turnover and the net assets of the group and have therefore been excluded from consolidation in 2022/23. The Council does not depend upon these four organisations for statutory service provision, and it is not considered that they expose the Council to a material level of commercial risk.

Cardiff City Transport Services Limited. (Cardiff Bus)

Company number 02001229 Incorporated 1986

Cardiff Bus was set up in accordance with the provisions of the Transport Act 1985 to operate the Council's municipal bus operation.

During the year, the company continued to address a number of challenges in common with the entire public transport industry. This included patronage below pre-covid levels impacting on income, fuel and wage increases, labour shortages and transport changes in the city. The Bus Emergency Grant Scheme support, which commenced during the pandemic, continued during 2022/23 and is expected to do so for a further year subject to Welsh Government confirmation of approach.

The Council agreed in October 2020 to implement a range measures to address risks to financial viability, allowing the company to implement a turnaround plan to build a more sustainable financial and operational future. The Council became the statutory employer of the Cardiff Bus Pension Scheme on 3 March 2021 and injected equity of £13.6 million between 2020/21 and 2021/22.

The company's audited accounts are summarised below:

31 March 2022		31 March 2023
---------------	--	---------------

£000		£000
(36,892)	Turnover and other income	(38,567)
32,811	Operating and other expenditure	36,798
(4,081)	Net (Profit)/Loss before Taxation	(1,769)
696	Taxation	374
(3,385)	(Profit)/Loss after Taxation	(1,395)

A summary of the company's financial position is as follows:

31 March 2022 £000		31 March 2023 £000
26,262	Bus and other operating assets	22,171
15,144	Current Assets	14,576
(6,460)	Less Current Liabilities	(3,307)
	Creditors: Amounts falling due after more than one year	
(10,900)	Provisions & Long term liabilities	(7,999)
24,046	Total Assets less Liabilities	25,441
	Represented by:	
18,218	Share Capital	18,218
1,957	Retained Earnings	3,374
3,871	Revaluation Reserve	3,849
24,046	Net Worth	25,441

During 2022/23 the Council made payments totaling £8.234 million to Cardiff City Transport Services Ltd (£17.408 million in 2021/22), of which £7.498 million related to concessionary fares payments (£9.617 million in 2021/22). The Council also received income of £782,000 (£1.850 million in 2021/22).

At year-end, there is a balance due to Cardiff City Transport Services Ltd of £26,000 (£58,000 at March 2022) and a balance due of £198,000 from Cardiff City Transport Services Ltd (£210,000 at March 2022).

The company's auditors are Kilsby Williams.

Cardiff Business Technology Centre Limited (CBTC)

Company number 02074331 Incorporated 1986

The company's principal activity is to promote and assist in the development of new and existing high technology and innovation companies through the provision of business/incubator premises with a high level of support services. It completed another successful year despite operational challenges of post pandemic recovery. Demand for space remained consistently strong, sustaining high levels of occupancy. The company continues to offer flexible terms to newly established tenants to ensure accelerated growth and a nurturing atmosphere from which they are able to establish commercially stronger businesses. The company's audited accounts are summarised below:

31 March 2022 £000		31 March 2023 £000
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18	Net (Profit)/Loss before Taxation	74
(7)	Less: Taxation	(7)
11	(Profit)/Loss after Taxation	67

31 March 2022 £000		31 March 2023 £000
755	Total assets less current liabilities	680
(29)	Provision for taxation	(22)
0	Pension Liability	0
726	Total Assets less Liabilities	658
	Represented by:	
402	Retained Profit	364
0	Pension Reserve	0
324	Revaluation Reserve	294
726	Net Worth	658

During 2022/23 the Council made payments of £380,000 to CBTC (£284,000 in 2021/22) and received no income (£0 in 2021/22) from CBTC. At year end, there is no balance due to or from CBTC Limited. (£0 at 31 March 2022)

The company's auditors are Gerald Thomas.

Atebion Solutions Limited

Company number 10411758 Incorporated 2016

Atebion Solutions aims to deliver procurement and commercial services to the public sector. In addition to undertaking Atebion Solutions work the Council's Procurement Team are now delivering the procurement service for Monmouthshire, Torfaen and Vale of Glamorgan Councils and also managing 3 regional frameworks. In common with the wider public procurement sector, challenges of recruitment and employee retention are impacting on the capacity to take on additional work. In light of this, the Atebion Board and Shareholder Representative have agreed that Atebion Solutions should adopt Non trading status in 2023/24. The company has the financial assets to meet all financial liabilities in full.

The company's audited accounts are summarised below:

31 March 2022 £000		31 March 2023 £000
(16)	Net (Profit)/Loss before Taxation	8
3	Less: Taxation	(2)
(13)	(Profit)/Loss after Taxation	6

31 March 2022 £000		31 March 2023 £000
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43	Total assets less current liabilities	31
(4)	Creditors: falling due after more than one year	0
39	Total Assets less Liabilities	31
	Represented by:	
39	Retained Profit	31
39	Net Worth	31

During 2022/23, the Council made no payments (£0 in 2021/22) to Atebion Solutions Ltd and received income of £32,000 (£79,000 in 2021/22) from Atebion Solutions Ltd. At year end, there is no balance due to Atebion Solutions Ltd (£0 at 31 March 2022) and a balance due of £23,000 from Atebion Solutions Ltd (£69,000 at 31 March 2022).

The company's auditors are Azets.

Cardiff Heat Network Limited

Company number 13199235 Incorporated 2021

Cardiff Heat Network aims to develop and then run a sustainable heat network across the city which will supply heat to buildings agreed to be connected to the network. A two-year period of construction works commenced in January 2022 in respect of the Phase 1 scope, with first live heat supplies expected to be delivered from early summer 2024. Negotiations continued to take place during the year with customers of the energy to ensure sufficient take up to allow the business case assumptions for the network to be met. These targets and assumptions continue to be reviewed.

The company's audited accounts are summarised below:

31 March 2022 £000		31 March 2023 £000
15	Net (Profit)/Loss before Taxation	26
0	Less: Taxation	0
15	(Profit)/Loss after Taxation	26

31 March 2022 £000		31 March 2023 £000
(15)	Total assets less current liabilities	(40)
0	Creditors: falling due after more than one year	0
(15)	Total Assets less Liabilities	(40)
	Represented by:	
(15)	Retained Profit	(40)
(15)	Net Worth	(40)

During 2022/23, the Council made grant payments of £4.178 million (£2.450 million in 2021/22) to Cardiff Heat Network Ltd and received £16,000 (£0 in 2021/22) from Cardiff Heat Network Ltd. At year end, there is no balance due to or from Cardiff Heat Network Ltd. (£0 at 31 March 2022)

The company's auditors are Azets.

Cardiff Waste Limited

Company number 02664172 Incorporated 1991

The company was incorporated to collect and dispose of waste materials of every description, operate waste disposal sites, vehicles and plant and provide related advice. The company remains dormant, with no trading activities.

21. Provisions

	Balance 31 March 2022	Utilised/ Released in year	Transfers to Provisions	Balance 31 March 2023	Not later than one year	Later than one year
	£000	£000	£000	£000	£000	£000
Insurance & MMI Scheme	(10,180)	4,324	(3,922)	(9,778)	(1,955)	(7,823)
Ferry Road Landfill	(7,547)	1,256	0	(6,291)	(222)	(6,069)
Lamby Way Landfill	(9,762)	428	0	(9,334)	(431)	(8,903)
Cardiff Capital Region City Deal	(586)	0	(71)	(657)	0	(657)
Other	(927)	1,004	(1,903)	(1,826)	(811)	(1,015)
Total	(29,002)	7,012	(5,896)	(27,886)	(3,419)	(24,467)

Insurance represents sums set aside to meet the cost of claims received, but not yet settled. The Council operates a system of self-insurance which provides cover either in part or in total for a considerable number of the Council's insured risks. Major risks including property, liability and motor vehicle are partially self-funded whereas full cover is provided for secondary risks such as 'all-risks'.

Municipal Mutual Insurance (MMI) Scheme of arrangement levy - represents a scheme that was triggered on 13 November 2012 and this will involve the claw back of a percentage of previously paid claims as well as a percentage of future claims. Further details are provided in note 27.

Landfill aftercare reflects the financial obligations to address restoration and aftercare for Lamby Way and Ferry Road sites in accordance with initial permits for the disposal of waste. These obligations can stretch for over 60 years with potentially significant but uncertain capital and revenue expenditure. The level of provision is reviewed periodically with the next review to take place in 2023/24.

Cardiff Capital Region City Deal – primarily represents timing differences in relation to corporation tax.

Other – includes £1.394 million for Adults Services provisions plus various smaller provisions.

22. Pension Strain

In addition to the costs of redundancy payments made to leavers, in some cases the Council also incurs costs relating to pension strain which it is required to pay over to the Pension Fund when individuals leave via the Severance Scheme. This applies only to leavers who are members of the Local Government Pension Scheme and aged 55-59 at the date they leave employment with the Council. The pension strain cost to the Council is the amount it has to pay over to the Pension Fund to compensate for the lost pension contributions for these staff.

The Council has the option to pay the amounts due in respect of pension strain over a 5 year period in order to spread the impact of these costs. The following table shows the level of pension strain in the balance sheet.

31 March 2022 £000	Pension Strain	31 March 2023 £000
(1,035)	Pension Strain due within 1 year	(1,737)
(1,296)	Pension Strain due later than 1 year	(494)
(2,331)	Total Pension Strain	(2,231)

23. Deferred Liabilities

These are amounts paid in advance by external bodies towards expenditure in future years.

	Balance 31 March 2022 £000	Utilised/ Released in year £000	Transfers to Deferred Liabilities £000	Balance 31 March 2023 £000	Not later than one year £000	Later than one year £000
Commuted Maintenance Sums	(7,992)	937	(1,173)	(8,228)	(685)	(7,543)
Rent Smart Wales Income in Advance	(5,269)	3,341	(3,839)	(5,767)	(3,300)	(2,467)
Total Deferred Liabilities	(13,261)	4,278	(5,012)	(13,995)	(3,985)	(10,010)

24. Grant Income

The Council credited the following grants and contributions to the Comprehensive Income and Expenditure Statement in 2022/23

2021/22 £000		2022/23 £000
	Grants and contributions credited to the CIES	
(373,452)	Revenue Support Grant	(413,544)
(121,062)	Non-Domestic Rates	(131,182)
(124,743)	Capital Grants	(111,234)
(2,289)	Developers' Contributions	(2,878)
(621,546)	Total	(658,838)
	Credited to Services (Revenue Grants & Contributions)	
(365,870)	Central Government Bodies	(326,518)
(24,691)	Other Local Authorities & NHS Bodies	(27,677)

2021/22 £000		2022/23 £000
(4,557)	Other Entities and Individuals including Public Corporations	(7,428)
(395,118)	Total	(361,623)

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

31 March 2022 £000	Revenue Grants and Contributions Receipts in Advance	31 March 2023 £000
(15,560)	Central Government Bodies	(6,918)
0	Other Local Authorities & NHS Bodies	0
(961)	Other Entities and Individuals including Public Corporations	(1,102)
(16,521)	Total	(8,020)

31 March 2022 £000	Capital Grants Receipts in Advance	31 March 2023 £000
(11,431)	Central Government Bodies	(22,679)
0	Other Local Authorities & NHS Bodies	0
0	Other Entities and Individuals including Public Corporations	0
(11,431)	Total	(22,679)

The below table represents amounts received predominantly from developers and other external sources, which are yet to be used to fund specific future expenditure.

31 March 2022 £000	Capital Contributions Receipts in Advance	31 March 2023 £000
(22,155)	Balance as at 1 April	(22,388)
(3,589)	Contributions received during the year	(11,892)
3,314	Contributions applied to expenditure during the year	2,910
42	Reclassification	74
(22,388)	Balance as at 31 March	(31,296)

25. Usable Reserves

Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement. Usable Reserves include Council Fund and HRA Balances, Earmarked Reserves, Capital Receipts Reserve and the Capital Grants Unapplied Reserve.

25.1 Council Fund and HRA Balances

	Balance	Contributions		Balance
	31 March 2022 £000	From Revenue £000	To Revenue £000	31 March 2023 £000
COUNCIL FUND AND HRA BALANCES				
Council Fund Balance	14,255	0	0	14,255
Housing Revenue Account Balance	15,502	0	0	15,502
Total Council Fund and HRA Balances	29,757	0	0	29,757

25.2 Earmarked Reserves

This note sets out the contributions to and from earmarked reserves during the year.

	Balance	Contributions		Balance	Purpose of the Reserve / To fund:
	31 March 2022 £000	From Revenue £000	To Revenue £000	31 March 2023 £000	
SCHOOLS BALANCES					
Schools Reserves	33,370	1,792	(13,712)	21,450	The net position on individual school balances, comprising surpluses, deficits and the overall deficit on the Mutual Supply Fund
Cathays – Maintenance of Playing Field	3	0	0	3	To maintain path alongside Cathays High School
Primary/Special Schools Repairs	1,122	268	(139)	1,251	The overall balance held on the mutual scheme for repairs to school buildings
	34,495	2,060	(13,851)	22,704	
SCHOOLS RESERVES					
Out of School Childcare	85	13	(22)	76	Surplus balances from each school operating an out of school childcare scheme. These can be drawn upon by each school to balance their in-year financial position
Schools Catering	990	0	(990)	0	Schools Catering Service, including kitchen improvements and cashless transaction system
Schools Formula Funding	3,548	184	(1,064)	2,668	Unplanned and unforeseen expenditure incurred by or on behalf of the delegated schools budgets
Schools ICT Infrastructure	171	0	0	171	Cyclical replacement of Schools ICT in order to ensure equipment and infrastructure is current and avoid obsolescence
Schools Organisational Plan	2,935	10,934	(10,236)	3,633	Manage the cash flow implications of the Schools Organisational Plan financial model
	7,729	11,131	(12,312)	6,548	

	Balance	Contributions		Balance	Purpose of the Reserve / To fund:
	31 March 2022	From Revenue	To Revenue	31 March 2023	
	£000	£000	£000	£000	
OTHER COUNCIL RESERVES					
Adults Social Care	3,415	800	(808)	3,407	Service specific pressures and to enhance financial resilience
Apprenticeships and Trainees	619	445	(151)	913	Corporate Apprentice Scheme
Bereavement Services	152	794	(912)	34	Planned programme of refurbishment and improvement
Building Control Regulations	196	0	(20)	176	Smooth effects of future deficits within ring fenced building control account
Bute Park Match Funding	73	0	(22)	51	Match funding for grant funded initiatives in relation to Bute Park, as per Heritage Lottery Fund agreement
Capital Business Case Development	900	1,000	(331)	1,569	Development of capital business cases
Cardiff Academy Training	78	0	(28)	50	Support initiatives undertaken in connection with the Academy
Cardiff Capital Region City Deal	201	0	(29)	172	Council's contribution to the Joint Cabinet for the Cardiff Capital Region City Deal
Cardiff Dogs Home Legacy	382	41	(160)	263	Donations left to Cardiff Dogs Home to be used for improvements to the home
Cardiff Enterprise Zone	2,240	1,557	0	3,797	Cardiff Enterprise Zone in future years
Central Market Works	185	0	(29)	156	Works at Cardiff Central Market and as potential match funding for external grants bids
Central Transport Service	1,096	768	(420)	1,444	Central transport vehicle service
Children's Services	4,841	0	(1,593)	3,248	Enhance resilience
City Events	1,000	0	0	1,000	City events that contribute to the economy
City Wide Management and Initiatives	3,012	0	(591)	2,421	City wide management and initiatives including supporting marketing and infrastructure
Community Based Services Transition	105	0	0	105	Better integration of community facilities across the public sector
Community Initiatives	1,767	299	0	2,066	Initiatives arising from the legacy of the Community First Programme
Connect to Cardiff Refurbishment	10	0	0	10	Expansion due to new and changing regulations
Corporate Events and Cultural Services*	2,919	2,048	(110)	4,857	Feasibility studies and costs of major events and to offset future pressures arising from fluctuations in income within Venues and Cultural Services
Corporate Landlord Function	636	0	(131)	505	Corporate landlord functions across the Council in order to provide a cohesive and commercial operating model
Corporate Recovery Risk	4,250	0	0	4,250	Mitigate risk of transition post pandemic
Cost of Living Support	2,194	0	(2,194)	0	Welsh Government discretionary grant for cost of living support
Council Tax Reduction Scheme pressures	4,153	0	(2,000)	2,153	Medium term increases in Council Tax Reduction Scheme expenditure
Demand Pressures	4,652	2,750	0	7,402	Financial resilience to help manage demand volatility and uncertainty
Digital Transformation	2,942	0	(457)	2,485	New ways of working
Discretionary Rate Relief	100	0	0	100	Non-Domestic Rates due diligence

	Balance	Contributions		Balance	Purpose of the Reserve / To fund:
	31 March 2022 £000	From Revenue £000	To Revenue £000	31 March 2023 £000	
Emergency Management, Safeguarding and Prevent	139	0	0	139	Preventative measures in relation to safeguarding, the Prevent agenda and emergency management
Employee Changes	8,413	3,000	(766)	10,647	Costs associated with voluntary redundancy and other employee costs in future years
Empty Homes and Housing Needs	1,223	484	(133)	1,574	Housing needs including activities relating to investing in empty homes and bringing them back in use
Energy Conservation (One Planet Cardiff)	1,245	100	(48)	1,297	Energy conservation initiatives
Energy Market Volatility	1,336	2,000	0	3,336	Expected fluctuations in the cost of energy
Family Guarantor	339	0	0	339	Transfer of families from temporary accommodation into permanent homes
Flatholm	7	0	0	7	Initiatives, repairs and renewals
Fraud Detection	44	0	0	44	Supplement staffing and other costs associated with fraud detection
Governance and Legal Services	140	0	0	140	Future Governance & Legal Services initiatives, including projects in connection with ICT upgrades
Harbour Authority Project and Contingency Fund	104	26	0	130	Improvement and enhancement of infrastructure, assets, activities or services in or around Cardiff Bay
Highways Section 278	264	0	(60)	204	Highway investment
Homelessness	2,241	0	(335)	1,906	Increases in homelessness pressures
Housing Support	734	0	0	734	Improve sustainability by maintaining the independence of people in their own homes
ICT Holding Account	716	0	(89)	627	Future business process improvement initiatives and other future ICT initiatives
Insole Court*	74	39	0	113	Council building repair liabilities in line with lease terms
Inspectorate Support	1,108	0	0	1,108	Consultancy for inspections and regulatory environment
Insurance	7,919	269	0	8,188	Protect from future potential insurance claims
Invest to Save	261	0	0	261	Used in connection with revenue invest to save schemes
Joint Equipment Store	515	0	0	515	Offset deficits or one off expenditure items in the pooled budget, in future years
Local Development Plan	400	0	(125)	275	Local Development Plan and any potential appeals or judicial reviews
Major Projects	1,006	0	(498)	508	Major Projects
Members Development	170	0	(137)	33	Members' ICT software
Municipal Election	880	76	(625)	331	Local elections
Municipal Mutual Insurance	935	0	0	935	Liability to pay a percentage of claims previously settled by Municipal Mutual Insurance (MMI) and contribute to the cost of future settled claims

	Balance	Contributions		Balance	Purpose of the Reserve / To fund:
	31 March 2022 £000	From Revenue £000	To Revenue £000	31 March 2023 £000	
New Theatre Repairs	210	198	0	408	Council building repairs liabilities in line with the lease terms
Non-Domestic Rates Due Diligence	60	0	0	60	Non-Domestic Rates due diligence
Parking and Enforcement	1,985	5,429	(6,392)	1,022	Surpluses to parking and enforcement schemes which, under the Road Traffic Act 1984, have to be reinvested in Road Traffic Schemes. Additional details provided in note below
Property Asset Management	16	0	0	16	Managing timing and fluctuations of income from fees relating to the disposal of properties
Red Dragon Centre	1,957	930	0	2,887	Premises funding requirements
Rentsmart Wales	341	241	0	582	Training and service delivery in respect of Rentsmart Wales
Resources	3,254	365	(209)	3,410	Number of areas within the Resources Directorate particularly where transition to alternative methods of operation are required
Scrutiny Development and Training	118	0	(37)	81	Scrutiny member development and training
Shared Regulatory Service	108	0	(108)	0	Future flexibility in relation to the Council's costs of the Shared Regulatory Service
Social Care Technology	655	0	(322)	333	Social care ICT developments
Social Care Worker Mobility	600	0	(58)	542	Increase domiciliary support service capacity in conjunction with decarbonisation of services
South East Wales Construction Framework	1,253	756	(7)	2,002	Ring fenced revenue to fund future costs of the project. Remaining funding to be distributed amongst the participating authorities
Strategic Budget	6,396	1,958	0	8,354	Financial resilience and the future budget requirements of the Council over the Medium Term Financial Plan
Treasury Management	11,318	3,500	0	14,818	Management of risk in relation to major projects and to offer some protection and flexibility to the wider capital programme
Wales Interpretation and Translation Service	419	0	(88)	331	Manage in-year fluctuations in funding and financial performance of the service
Waste Management	1,183	1,183	(543)	1,823	Initiatives to achieve recycling targets and offset the impact of additional tonnage and associated waste management costs
Welfare Reform	2,509	502	(128)	2,883	Mitigate pressures and reduced funding within the Housing Benefit Service following the transfer of services as part of the rollout of the Universal Credit Scheme
Youth and Community Education	952	54	(115)	891	Costs connected with the refurbishment of youth centres
	105,665	31,612	(20,809)	116,468	
SHARE OF JOINT COMMITTEE RESERVES					
Cardiff Capital Region City Deal (CCRCD)	3,123	670	0	3,793	The Council's percentage share of the accumulated balances and earmarked usable reserves of Cardiff Capital Region City Deal

	Balance	Contributions		Balance	Purpose of the Reserve / To fund:
	31 March 2022	From Revenue	To Revenue	31 March 2023	
	£000	£000	£000	£000	
	3,123	670	0	3,793	
Total Council Fund Reserves	151,012	45,473	(46,972)	149,513	
HRA RESERVES					
Housing Development Resilience	500	500	0	1,000	Improve resilience within the Housing Development Capital Programme
Housing Repairs and Building Maintenance	9,022	0	(4,031)	4,991	Housing repairs and to mitigate against risk within the construction industry
Housing Supply Increase	636	6,000	(636)	6,000	Increase housing stock and improve resilience within the Housing Development Capital Programme
Welfare Reform	429	0	0	429	Project costs and scheme development to address issues for council tenants due to benefit cap and universal credit
Total HRA Reserves	10,587	6,500	(4,667)	12,420	
TOTAL EARMARKED RESERVES	161,599	51,973	(51,639)	161,933	

*Insole Court opening balance has been moved from Corporate Events and Cultural Services Reserve.

Parking & Enforcement

This reserve is generated from surpluses achieved from Civil Parking Enforcement (CPE). The use of any surplus is governed by Section 55 of the Road Traffic Regulations Act 1984 which specifies that the surplus may be used to fund operational costs including subsidising the enforcement service, supporting public passenger transport services, transport planning and road safety, maintaining off-street car parks and highway and environmental maintenance and improvements.

2021/22		2022/23
£000		£000
776	Operational costs / Parking and Permits	660
6,279	Enforcement service	5,998
7,055	Total Expenditure	6,658
(3,130)	On-street pay car parking fees	(4,110)
(808)	Off-street car parking fees	(1,199)
(441)	Residents parking permits	(367)
(1,903)	Penalty charge notices	(2,199)
(3,046)	Moving Traffic Offences	(3,450)
(449)	Camera car	(656)
(6)	Traffic Enforcement Centre	0
(31)	Other income	(106)
(9,814)	Total Income	(12,087)
(2,759)	Civil Parking Enforcement Net (Surplus)/Deficit	(5,429)
(983)	Covid-19 LG Hardship Fund/Job Retention Scheme	0
(3,742)	Revised Civil Parking Enforcement Net (Surplus)/Deficit	(5,429)
	Appropriations to Parking Reserve:	
4,536	Balance 1 April	1,985
3,742	Contributions from CPE	5,429

2021/22 £000		2022/23 £000
(6,293)	Contributions to revenue*	(6,392)
1,985	Balance 31 March	1,022

* Income has returned to pre-pandemic levels resulting in a surplus of £5.429million. The amount drawn down from the reserve towards revenue costs was £6.392 million, leaving a balance of £1.022 million at 31 March 2023. The drawdown included a budgeted sum of £5.935 million to support a range of services, including ongoing support and improvements to transport, parking, highways and environmental services. It also included specific drawdowns to support various approved improvement schemes and initiatives.

25.3 Usable Capital Receipts Reserve

The Usable Capital Receipts Reserve represents the capital receipts available to finance future capital expenditure or to repay historical capital expenditure incurred.

2021/22 £000		2022/23 £000
8,673	Balance as at 1 April	6,840
	Movements during Year:	
2,649	Sale of land, buildings and other assets	10,030
323	Recoupments of grant/other	1,519
2,972		11,549
(3,781)	Finance Capital Expenditure	(10,378)
(1,009)	Provide for repayment of external loans	(331)
(15)	Other	0
(4,805)		(10,709)
6,840	Balance as at 31 March	7,680

25.4 Unapplied Capital Grants

The Usable Capital Receipts Reserve represents grants received without conditions that are to be applied to capital expenditure projects identified in the 2023/24 Capital Investment Strategy

2021/22 £000		2022/23 £000
0	Balance as at 1 April	6,972
6,972	Transfer of capital grants and contributions to capital grants unapplied	0
6,972	Balance as at 31 March	6,972

26. Unusable Reserves

26.1 Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its non-current 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.

2021/22 £000		2022/23 £000
310,754	Balance as at 1 April	345,822
5,182	Adjusting amounts from Capital Adjustment Account	0
46,288	Upward revaluation of assets	20,021
(14,253)	Downward revaluation of assets and impairment losses not charged to the (Surplus)/Deficit on the Provision of Services	(815)
37,217	Surplus or deficit on revaluation of non-current assets not posted to the (Surplus)/ Deficit on the Provision of Services	19,206
(2,046)	Difference between fair value depreciation and historical cost depreciation (charged to Capital Adjustment Account)	(2,416)
(103)	Accumulated gains on assets sold or scrapped	0
(2,149)	Amount written off to the Capital Adjustment Account	(2,416)
345,822	Balance as at 31 March	362,612

26.2 Capital Adjustment Account

The Capital Adjustment Account reflects differences between normal accounting practice and statutory requirements. The Account is credited with the amounts used as finance for capital expenditure. It contains accumulated gains and losses on Investment Properties, amounts set aside to repay external loans.

Note 1 provides details of the source of all of the transactions posted to this Account, apart from those involving the Revaluation Reserve.

2021/22 £000		2022/23 £000
947,365	Balance as at 1 April	977,282
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(64,762)	Charges for depreciation and impairment of non-current assets	(90,672)
(928)	Amortisation of intangible assets	(604)
25,211	Reverse previous impairment on revaluation	19,778
(68,920)	Revaluation losses on Property, Plant and Equipment	(15,909)
0	Movement in Assets Held for Sale	0
(2,692)	Expenditure on REFCUS	(8,407)
(616)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(2,150)
(112,707)		(97,964)
(3,139)	Adjusting amounts to the Revaluation Reserve (including historic cost adjustment)	2,416
(115,846)	Net written out amount of the cost of non-current assets consumed in the year	(95,548)

2021/22 £000		2022/23 £000
	Capital financing applied in the year:	
3,781	Capital Receipts	10,378
3,940	Direct Revenue Financing	3,995
120,060	Grants and contributions	114,112
44,538	Prudent Revenue Provision	40,494
1,009	Capital receipts to provide for repayment of external loans	331
(933)	Reduction in loan debtors	(1,698)
172,395		167,612
(26,632)	Movements in the value of Investment Properties	(2,444)
977,282	Balance as at 31 March	1,046,902

26.3 Deferred Capital Receipts Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets but for which cash settlement has yet to take place. The Council does not treat these gains as usable for financing new capital expenditure until they are realised.

2021/22 £000		2022/23 £000
5,003	Balance as at 1 April	5,003
0	Transfer of deferred sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	66
0	Transfers to the Capital Receipts Reserve upon receipt of cash	(5,003)
5,003	Balance as at 31 March	66

The receipt of cash in 2022/23 relates primarily to the disposal of land at Central Square.

26.4 Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains made by the Council arising from increases in the value of its investments held as Financial Instruments that are elected to be classified as Fair Value through other Comprehensive Income i.e., those held for service objectives or policy purposes. The balance is reduced when investments with accumulated gains are:

- revalued downwards or impaired and the gains are lost
- disposed of and the gains are realised.

2021/22 £000		2022/23 £000
6,984	Balance as at 1 April	10,366
3,382	(Downwards)/Upwards revaluation of investments not charged to the Surplus/Deficit on the Provision of Services	1,376
10,366	Balance as at 31 March	11,742

The majority of the balance relates to the Council's shareholding in Cardiff Bus which is not listed on any quoted market, and for which a valuation is based on the company's reported net worth as per its Annual Accounts to comply with accounting for Financial Instruments. Any change in value within the Council's accounts does not have an impact on the Council Taxpayer, revenue budget or cash flow in any one year as any movement in value of the asset is offset in this reserve. Any valuation should be treated with care as it is for accounting purposes only.

26.5 Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The 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 a benefit 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 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. There has been a significant decrease in the pensions reserve at 31 March as compared to the previous year. This is primarily due to the change in interest rates which impacts the discount rate used in the actuarial assumptions.

2021/22 £000		2022/23 £000
(1,085,373)	Balance as at 1 April	(855,336)
307,373	Actuarial gains or losses on pensions assets and liabilities	726,020
(128,564)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(132,058)
2,574	Reversal of amounts accrual in respect of pension strain for future years	99
48,654	Employer's pensions contributions and direct payments to pensioners payable in the year	53,235
(855,336)	Balance as at 31 March	(208,040)

26.6 Accumulated Absences Account

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

2021/22 £000		2022/23 £000
(17,693)	Balance as at 1 April	(17,054)

639	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with accounting requirements	76
(17,054)	Balance as at 31 March	(16,978)

26.7 Donated Inventories Account

The Donated Inventories Account represents the value of donated inventories held as at 31 March.

The Council received donated equipment from NHS Shared Services (NHSS), at nil cost, towards its Social Care responsibilities.

2021/22 £000		2022/23 £000
3,211	Balance as at 1 April	9,234
6,023	Movement in Donated Inventories Account	(1,273)
9,234	Balance as at 31 March	7,961

27. Contingent Assets and Liabilities

Assets

The Council holds a proportion of equity in a number of properties arising primarily from the affordable housing contribution that developers provide on new build developments. The equity proportions range from 20% to 40%, with the buyer nominated by the Council providing the balance of the resources to purchase the property. These properties were aimed at first time buyers who could not afford to buy a home on the open market. When the owner of the property wishes to sell their home, the Council has the first opportunity to nominate a purchaser from the assisted home ownership waiting list. If there is no nomination, the owner is free to sell on the open market and the Council is entitled to its relevant proportion of the market value of disposal in accordance with the charge on the property. This is treated as a capital receipt in the year that it is received. The estimated total value of equity at 31 March 2023 is £12.338 million (£9.107 million at 31 March 2022).

In March 2015, the Council approved a request from Glamorgan County Cricket Club to write off 70% of a £6.534 million loan balance due to the Council and restructure remaining sums in line with other major creditors. This was actioned on 21 December 2015 resulting in an outstanding amount of £1.960 million. Repayments commenced in 2019/20, with repayments totalling £392,000 to 31 March 2023. The club are committed to repay the loans in accordance with the contractual terms, however due to the current uncertainties in terms of attendance levels and emergence from Covid impacts, the Council's view is that risks of recovery still remain and the balance due of £1.568 million remains 100% impaired at 31 March 2023. Any balances due are not shown in the financial statements but are identified as a contingent asset to reflect the amounts potentially receivable in accordance with the proposed restructured loan.

In respect to an assessment received from HMRC for purportedly under-declared landfill tax assessment, associated penalties and interest, the Council has a remaining payment on account balance of £749,000. This is not an admission of liability and if the assessment is changed or cleared, then this will be refunded by HMRC.

Liabilities

As at 31 March 2023 one claim existed in excess of £10,000 against the Council for which there is no insurance cover. The claims include unfair dismissal, disability and race discrimination, and breach of contract. The potential liability in respect of the claims is estimated to be £10,000 (£25,000 at 31 March 2022) and the Council is resisting liability.

The former Authorities of South Glamorgan County Council, Cardiff City Council, Mid Glamorgan County Council and Taff Ely Borough Council are creditors of Municipal Mutual Insurance (MMI) Ltd and are legally bound by the Scheme of Arrangement. MMI ceased taking new business on 30 September 1992. The scheme allows new claims to be made against MMI and outstanding claims with MMI to be settled. The accounts reflect a provision of £149,000 and £935,000 held in an earmarked reserve towards any liability. This is considered prudent based on most recent actuarial advice, however, this is subject to the outcome of settled claims.

The Council has entered into a number of contracts for services involving the transfer of Council employees to the new service provider under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Admission agreements with the new employers allow transferred employees to remain in membership of the Cardiff and Vale of Glamorgan Pension Fund. In the event that a contractor fails to meet its obligations to the Pension Fund as set out in the admission agreement, the Council acts as guarantor for the accrued pension liabilities.

The Council and HMRC are continuing discussions with a view to resolving a purportedly under-declared landfill tax assessment received by the Council from 1 April 2015, for waste tipped at Lamby Way Landfill site. HMRC assess that some materials disposed of should have had the standard rate of tax applied rather than a lower rate, the difference in tax rates being £80 per tonne. Given this is a specialist and technical area, the Council has engaged PricewaterhouseCoopers environmental tax specialists to support the Council's approach to demonstrating that materials tipped were eligible for lower rate tax. Subject to this, and relevant HMRC rules, there is the risk that the Council may be required to pay tax and interest on under declared tax. In the event of assessments being upheld, the Council would consider the merits of an appeals or mitigation process. Given the technical nature of the assessment, it remains difficult to evidence the probability that this liability will crystallise.

During 2020/21, the Council as the sole shareholder, agreed a range of measures to address the difficulties faced by Cardiff City Transport Services Limited (Cardiff Bus) and the Trustees of its pension scheme to agree, in accordance with Pension Legislation, the Triennial valuation of the pension scheme at 31 March 2018. On 3 March 2021, the Council entered into an agreement with the Trustees of the Cardiff City Transport Services Limited Pension Scheme meaning that all future liabilities in respect to pension obligations of Cardiff Bus will fall to Cardiff Council. This means that the Council became statutory employer of the Cardiff Bus pension funds and is responsible for paying contributions into the scheme towards addressing any identified deficit when assets and liabilities are projected as part of three yearly actuarial reviews. The schedule of contributions is currently £250,000 per annum, to be reviewed as part of the next triennial valuation as at 31 March 2024. The Council is also responsible for scheme operating expenses, Pension Protection Fund levy and any other costs and expenses in respect to its obligations as Statutory and Principal employer. These costs are to be recovered from Cardiff Bus; however, the Council is ultimately responsible for such costs in the event the company is unable to meet them. Details of the fund assets and liabilities as at 31 March 2023 are shown in note 13.

28. Notes to Cash Flow Statement

2021/22 £000	Adjust net surplus or deficit on the provision of services for non - cash movements	2022/23 £000
(109,376)	Depreciation, impairment & amortisation	(87,213)
(77,335)	Charges made for retirement benefits (IAS19) less employers contributions	(78,824)
(616)	Carrying amount of non-current assets sold or derecognised	(2,150)
5,920	Increase/(decrease) in stock	(1,245)
20,923	Increase/(decrease) in debtors	(133)
(45,177)	Increase/(decrease) in creditors	52,661
(25,552)	Other non-cash items affecting net surplus or deficit on provision of services	(679)
0	CCRCDC	9,635
(231,213)		(107,948)

2021/22 £000	Items in net surplus/ deficit on provision of services that are investing and financing activities	2022/23 £000
2,624	Proceeds from non-current assets & investments	(943,853)
127,355	Capital grants/contributions recognised in CIES	107,417
129,979		(836,436)

2021/22 £000	Interest and Dividends	2022/23 £000
(235)	Interest Received	(3,669)
33,983	Interest Paid	34,251
0	Dividends Received	0
33,748		30,582

29. Prior Period Adjustment

There are no prior period adjustments.

30. Exceptional Items

There are no exceptional items to disclose.

31. Events after the Reporting Period

There are no events after the reporting period to report.

32. Date of Authorisation of the Accounts for Issue

This Statement of Accounts was authorised for issue on 28 March 2024 by the Corporate Director Resources. Post Balance Sheet events have been considered up to this date.

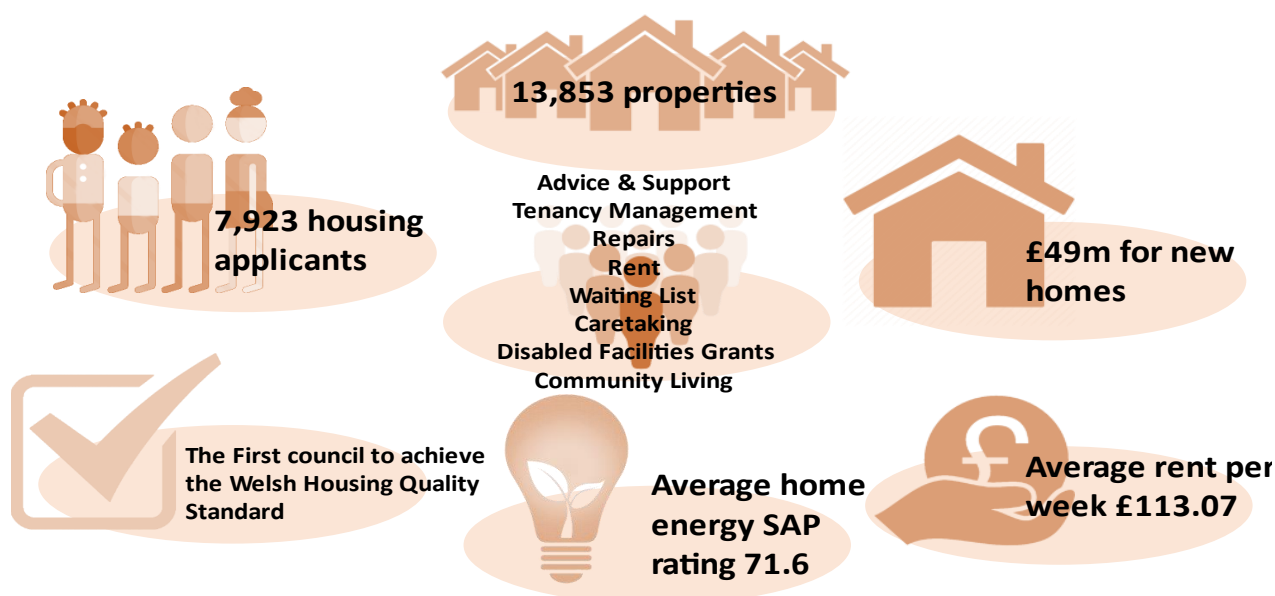


Housing Revenue Account



Introduction

The Local Government and Housing Act 1989 places a statutory duty on local authorities to maintain a separate account for the costs associated with the management, repair and maintenance of Council dwellings. This is termed the Housing Revenue Account (HRA).



A 30-year business plan and financial model, completed on an annual basis for submission to Welsh Government, provides financial forecasts, performance and objectives for the HRA. The plan aims to demonstrate the long-term sustainability and financial viability of the HRA over the period and includes the approach to maintaining the Welsh Housing Quality Standard, energy efficiency, remodelling homes, estate regeneration, fire safety works and securing new affordable housing to meet need.

Tenant participation in shaping and delivering services is welcome and encouraged in numerous ways including a dedicated Tenant Participation team, conferences, tenants voice meetings, community action days, information provision at the Citizen Hubs, the Tenants' Times publication and other social media.

The most recent tenant satisfaction survey showed:

- 80% of tenants were satisfied with their neighbourhood as a place to live
- 74% of tenants were satisfied with the way the Council deals with repairs
- 73.4% of respondents were satisfied with the service provided by their social landlord
- 76.7% of tenants were satisfied that their rent provides value for money

Risks and Financial Outlook

The HRA records income and expenditure in relation to Council Housing stock. The main expenditure items for the Council's 13,853 properties include repairs and maintenance, capital financing charges on borrowing (interest and provision for repayment), supervision and management (including tenant consultation, rent collection, housing allocations and property and estate management). The major income streams include rent and income from service charges.

Where the HRA spends capital monies, particularly where this is paid for by borrowing, this results in long term financial commitments for the rent payer and it is essential that expenditure decisions are prudent, sustainable and affordable, now as well as in the future.

The Council sets the level of HRA rents within a policy framework set by the Welsh Government. The 5-year Social Housing Rent policy was introduced in 2020/21 and will continue until 2024/25 and allows for a maximum 1% rent increase above the rate of the consumer price index (CPI). Where CPI is outside the range 0 to 3%, a ministerial decision is required for that year.

There is no confirmation of the rent policy approach beyond 2024/25. This and other uncertainties particularly around the impact of inflation represent a significant risk to the resilience of the HRA and business planning as the Council cannot control or accurately predict a key component of the plan. In addition, risk and uncertainty remains in terms of future impacts of rising prices for the management of existing housing stock and the development of new stock; increasing demand for housing and potential changes in housing standards to improve energy performance.

Financial Performance 2022/23

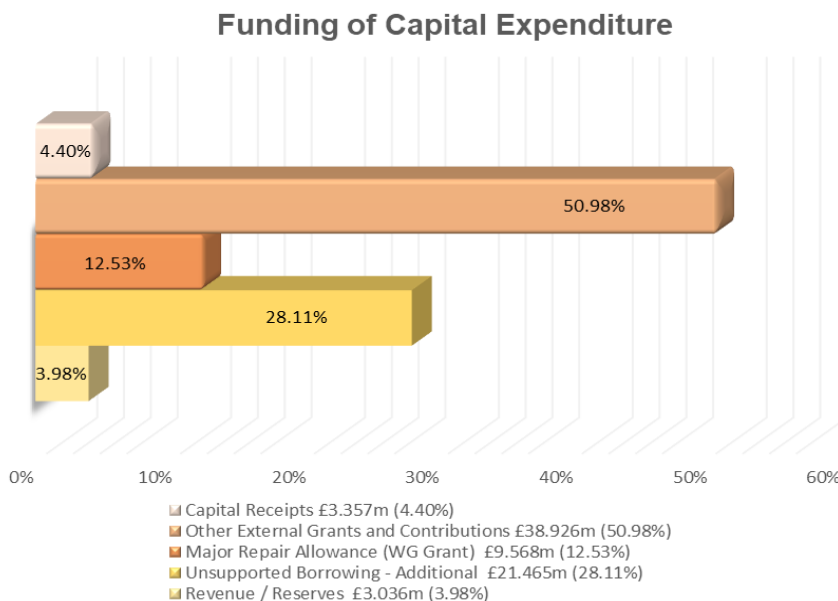
The HRA reported a balanced position for 2022/23 after a net transfer to earmarked reserves of £1.833 million towards future expenditure on purchasing additional homes to meet demand for affordable housing. The overall position included lower capital financing costs arising from lower interest charges and provision for debt repayment due to delay in some projects; additional grant funding; reduced spend on repairs and maintenance against external painting and electrical testing budgets.

Rent and service charge income was above budget, due to reduced void rent loss and bad debt provision requirements based on the year end arrears levels. In addition, there were significant employee vacancy savings and other efficiencies across the functions, partly offset by increased hostel accommodation and general premises costs. Void property levels were 2.20% as a percentage of overall stock (1.49% in 2021/22).

HRA earmarked reserves and the HRA General Balance amounted to £12.420 million and £15.502 million respectively as at 31 March 2023.

Our housing stock is valued in the accounts at £678.244 million. Dwellings were revalued in 2021/22 with the vacant possession value deemed to be £1.718 billion. In accordance with the valuation requirements, this was adjusted downwards, in our case by an adjustment factor of 38% in order to show the economic cost of providing social housing at less than market rent. The next valuation will take place in 2023/24.

Capital Expenditure and Funding



Expenditure in the year was £76.352 million, with investment in estate regeneration, housing stock remodeling, the fabric of dwellings, disabled adaptations and in the acquisition and development of new Council Housing. During the year additional grant was bid for and awarded by Welsh Government such as for Building Safety on high rise buildings, housing with care and energy retrofit.

The Capital Financing Requirement is a measure of debt in relation to the HRA. At 31 March 2023, this stands at £335.003 million; an increase of £10.264 million compared to the previous year. This is forecast to increase significantly over the next few years as set out in the 2023/24 HRA Revenue budget and Medium Term Financial Plan approved by Council March 2023. All borrowing must be affordable both now and, in the future, as it will be required to be repaid with interest.

Income and Expenditure Account

The HRA Income and Expenditure Account 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. Councils charge rents to cover expenditure in accordance with regulations; this may be different from the accounting cost.

2021/22 £000		Note	2022/23 £000
	Management and maintenance comprising :		
25,010	Repairs and maintenance		30,076
33,100	Supervision and management		37,029
291	Rents, rates, taxes and other charges		407
372	Provision for bad and doubtful debts		752
34,139	Depreciation, impairment and revaluation losses of non-current assets	8	13,258
0	Movement in Assets Held for Sale		0
3,341	Sums directed by the Welsh Government that are expenditure in accordance with the Code	9	876
42	Debt management costs		35
96,295	Total Expenditure		82,433
(77,684)	Dwelling rents		(80,732)
(63)	Non-dwelling rents		(26)
(11,514)	Charges for services and facilities		(13,357)
(3,310)	Sums directed by the Welsh Government that are income in accordance with the Code		(876)
(92,571)	Total Income		(94,991)
3,724	Net Cost of HRA Services as included in the Income and Expenditure Statement		(12,558)
	HRA share of the operating income and expenditure included in the Comprehensive Income & Expenditure Statement:		
(754)	(Gain)/loss on sale of HRA non-current assets		(1,532)
13,211	Interest payable and similar charges		13,462
(62)	Changes in fair value of investment properties		0
0	Interest and Investment income		0
(30,552)	Capital grants and contributions applied		(47,617)
(14,433)	(Surplus)/Deficit for year on HRA Services		(48,245)

Movement on HRA Balance

2021/22 £000		Note	2022/23 £000
(15,502)	Balance at 31 March brought forward		(15,502)
(14,433)	(Surplus) or deficit for the year on the HRA Income and Expenditure Statement		(48,245)
7,547	Adjustments between accounting basis and funding basis under regulations	1	46,412
(6,886)	Net (increase)/decrease before transfers to or from reserves		(1,833)
6,886	Transfers to/(from) earmarked reserves		1,833
0	Increase or decrease in the year on the HRA		0
(15,502)	Balance at 31 March carried forward		(15,502)

Notes to the Financial Statements

1. Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure, recognised by the Council in the year, in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

2021/22 £000		Note	2022/23 £000
	Adjustments to Revenue Resources		
	Amounts by which the income and expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements		
5,356	Pension costs (transferred to/from the Pensions Reserve)	4	5,281
(290)	Officer remuneration (transferred to the accumulated absence Reserve)		(199)
11,345	Charges for depreciation and impairment of non-current assets	8	13,618
24,114	Revaluation losses of non-current assets		667
(1,407)	Reverse previous impairment on revaluation		(1,027)
86	Amortisation of intangible assets		0
(62)	Movement in the market value of investment properties		0
0	Movement in Assets Held for Sale		0
(30,552)	Capital grants and contributions applied		(47,617)
31	Sums directed by Welsh Government		0
(753)	Non-current assets written off as part of the gain/loss on disposal to the HRA Income and Expenditure Statement		(1,532)
(13,015)	Prudent Provision for the financing of capital investment		(12,566)
(2,400)	Capital expenditure charged against the HRA		(3,037)
0	Credit for disposal costs that qualify to be met from the resulting capital receipts		0
(7,547)	Total Adjustments		(46,412)

2. Rental Income

This is the total rent income due for the year after allowance is made for voids etc. Void rent losses accounted for 2.20% of the total potential rental income (2.51% in 2021/22). Average rents were £113.07 per week (£110.38 in 2021/22) based on a 52-week year.

3. Rent Arrears, Service Charge Arrears and Bad Debt Provision

The following sums were due from tenants:

31 March 2022			31 March 2023	
Arrears £000	Bad debt provision £000		Arrears £000	Bad debt provision £000
		Rent Arrears		
4,720	3,486	Dwellings	5,068	3,744
426	426	Hostels /Other accommodation	584	584
5,146	3,912	Total Rent Arrears	5,652	4,328
		Other		
88	53	Service charges	107	65
269	269	Tenants recoverables	287	287
357	322	Total Other Arrears	394	352
5,503	4,234	Total	6,046	4,680

During 2022/23 debts totaling £306,000 were written off as irrecoverable (£489,000 in 2021/22).

4. Pension Costs

In accordance with International Accounting Standards 19 – Employee Benefits (IAS 19) the amount included within Supervision and Management in respect of employee costs includes the current service cost for pensions. In order that the pension cost borne by the HRA equals the total employer's contributions paid to the Pension Fund in the year plus any discretionary benefits payable to ex-housing staff, a transfer has been made to the Pensions Reserve as follows:

2021/22		2022/23
£000		£000
9,510	Current service cost	10,101
(4,157)	Cost of employer's contributions plus discretionary benefits	(4,817)
3	Pension Strain Accrual	(3)
5,356	Net transfer to Pensions Reserve	5,281

No attempt has been made to apportion a share of the pensions interest cost and expected return on pensions assets to the HRA as there is no valid basis of apportionment.

5. Housing Stock

The Council's housing stock is shown below:

31 March 2022		31 March 2023
7,382	Houses	7,403
634	Bungalows	634
5,253	Flats/Bedsits	5,309
171	Maisonettes	177
349	Retirement complexes	330
13,789	Total	13,853

The Council also has hostels and non-standard/temporary accommodation providing the following:

31 March 2022		31 March 2023
112	Bed spaces in hostels	112
127	Flats in hostels	179
239	Total	291

6. Capital Expenditure and Capital Financing

2021/22		2022/23
£000		£000
301,370	Opening Capital Financing Requirement	324,739
	Capital Expenditure:	
58,054	Property, Plant and Equipment	75,476
0	Intangible assets including intangible AUC	0
0	Investment Properties	0
3,342	Expenditure on REFCUS	876
12,536	Appropriation of land	1,365
	Sources of Finance:	
(1,276)	Capital Receipts	(3,357)
(33,872)	Government grants and other contributions *	(48,494)
(2,400)	Direct revenue contributions and reserves	(3,036)
(13,015)	Prudent revenue and capital provision for loan repayment	(12,566)
324,739	Closing Capital Financing Requirement	335,003
	Explanation of movements in year:	
23,369	Increase / (Decrease) in underlying need to borrow (unsupported by government financial assistance)	10,264
23,369	Increase in Capital Financing Requirement	10,264

* £9.568 million (£9.557 million in 2021/22) of Major Repairs Allowance grant was received from Welsh Government and applied in the year.

7. Capital Receipts

Proceeds from the disposal of HRA Assets during 2022/23 were as follows:

- Council Dwellings and Home Purchase Contributions £344,000 (£257,000 in 2021/22)
- Land £1.192 million (£541,000 in 2021/22)

8. Depreciation, Impairment and Revaluation Charged

Depreciation and impairment were charged on HRA assets as shown in the table below. Such charges to the HRA and changes in valuation do not have any impact on the amount required to be collected from rents as all such adjustments to non-current assets are required to be neutralised from capital reserves.

2021/22		2022/23
£000		£000
8,933	Council dwellings	11,801
2,117	Land and buildings	680
380	Vehicles, plant & equipment, intangibles, surplus and AUC	1,137
11,430	Total Depreciation, Amortisation and Impairment	13,618
21,013	Council dwellings	0
1,643	Land and buildings	(92)
52	Vehicles, plant & equipment, intangibles, surplus and AUC	(268)
22,708	Total Revaluation	(360)
34,138	Total	13,258

9. Revenue Expenditure Funded from Capital under Statute (REFCUS)

2021/22		2022/23
£000		£000
	Expenditure:	
3,222	Buildings not owned by Cardiff Council	876
120	Grants awarded not housing grants	0
3,342	Charged to Income and Expenditure Account	876
	Funded by:	
(3,311)	Grants and Contributions	(876)
(31)	Borrowing, Receipts and other Capital Resources	0
(3,342)		(876)



Group Accounts



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Introduction

The group accounts that follow comply with the requirement of the 2022/23 Code, which states that a local authority with material interests in subsidiaries, associates and joint ventures should prepare group accounts in addition to its single entity accounts. These accounts consolidate the operating results and balances of the County Council of the City and County of Cardiff and its subsidiary Cardiff City Transport Services Ltd (Cardiff Bus) which is a wholly owned subsidiary with limited liability. At the point of drafting these accounts, the 2022/23 accounts for Cardiff Bus are being prepared.

The final audited statements for Cardiff Bus for the year ended 2021/22 can be found on the Companies House website and the [Link](#) here.

The company, in common with many public transport operators, continues to be significantly impacted by changes in travel patterns since the covid pandemic and is in receipt of Welsh Government Bus Emergency support grant along with all other bus operators.

Uncertainty in respect of travel patterns, labour shortages and significant upward cost pressures directly impact on the company as well as regulatory and funding uncertainties which remain difficult to predict. In response to the challenges faced by the company, it continues review its business planning and opportunities to invest in modern fleet and infrastructure to provide vital services. The Council continues to work with the Board of the company to meet future challenges and that includes the appointment of Non-Executive Directors to the Board.

The Council also has interests in the following active subsidiaries: Cardiff Business Technology Centre (CBTC), Atebion Solutions Ltd and Cardiff Heat Network Ltd. The interests in these organisations are considered immaterial in terms of both the turnover and the net assets of the group. The Council does not depend upon these organisations for statutory service provision, and it is not considered that they expose the Council to a material level of commercial risk. Therefore, they have been excluded from the consolidation in 2022/23. Details of the Council's interests in these organisations are included in note 20 to the Core Financial Statements.

Basis of Consolidation

The group accounts have been prepared on the basis of a full consolidation of the financial transactions and balances of the Council and Cardiff Bus. Inter-group transactions and balances between the Council and its subsidiary have been eliminated in full.

Accounting policies

The financial statements in the group accounts are prepared in accordance with the policies set out in the Statement of Accounting Policies with the following additions and exceptions:

Retirement Benefits

Cardiff Bus operated two defined benefit funded pension schemes which it accounts for in accordance with FRS102. From March 2021 the liabilities for the pension schemes are included with the Council's Statement of Accounts. The level of contributions made to the schemes and the cost of contributions included in the financial statements are based on the recommendations of independent actuaries. Accounting policies consistent with those of the Council have been adopted although the financial assumptions used may differ.

Both these schemes are now closed to new members. The company also has a money purchase pension scheme for new employees. Pension costs charged to the profit and loss account represent the contributions payable by the group to the pension scheme during the year.

Value Added Tax

VAT paid by other group entities is accounted for in the Group Comprehensive Income and Expenditure Statement to the extent that it is irrecoverable from HM Revenue and Customs.

Charges to Income and Expenditure for Non-Current Assets

A charge is made from the revaluation reserve of the subsidiary company to the group income and expenditure reserve for the difference between depreciation charged on the current value of non-current assets held by the subsidiary and what would have been the historical cost depreciation for the year.

Group Comprehensive Income and Expenditure

2021/22				2022/23		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
30,048	(26,007)	4,041	Corporate Management	15,699	(8,340)	7,359
104,625	(45,208)	59,417	Economic Development	140,962	(40,273)	100,689
437,154	(111,419)	325,735	Education & Lifelong Learning	461,993	(106,522)	355,471
9,634	(2,015)	7,619	Governance & Legal Services	9,951	(652)	9,299
9,314	(5,959)	3,355	Harbour Authority	10,005	(6,862)	3,143
96,295	(92,571)	3,724	Housing Revenue Account	82,433	(94,991)	(12,558)
236,581	(178,997)	57,584	Housing and Communities	235,524	(181,024)	54,500
10,097	(6,793)	3,304	Performance and Partnerships	17,700	(13,944)	3,756
99,922	(72,690)	27,232	Planning , Transport and Environment	108,752	(75,835)	32,917
45,573	(25,730)	19,843	Resources	44,681	(23,421)	21,260
173,301	(52,256)	121,045	Social Services- Adults	169,349	(31,023)	138,326
100,358	(25,175)	75,183	Social Services- Children's	116,354	(21,344)	95,010
259	(4,484)	(4,225)	Summary Revenue Account	1,871	(952)	919
1,353,161	(649,304)	703,857	Net Cost of Services	1,415,274	(605,183)	810,091
42,523	0	42,523	Police and Crime Commissioner for South Wales	45,047	0	45,047
458	0	458	Community Council Precepts	495	0	495
18,632	0	18,632	Levies & Contributions	19,040	0	19,040
707	(1,965)	(1,258)	(Gain)/loss on sale of non-current assets	2,150	(4,622)	(2,472)
62,320	(1,965)	60,355	Other Operating Expenditure	66,732	(4,622)	62,110
34,127	(11)	34,116	Interest Payable on debt	34,193	0	34,193
22,180	0	22,180	Interest on net defined liability/(asset)	22,304	0	22,304
0	(388)	(388)	Interest & Investment Income	0	(3,825)	(3,825)
30,453	(12,658)	17,795	Income and Expenditure in relation to Investment Properties and changes in their fair value	15,315	(20,815)	(5,500)
0	0	0	Movement in Financial Instruments	0	(63)	(63)
86,760	(13,057)	73,703	Financing and Investment Income & Expenditure	71,812	(24,703)	47,109
0	(127,032)	(127,032)	Recognised Capital Grants & Contributions	0	(114,112)	(114,112)
0	(373,452)	(373,452)	Revenue Support Grant	0	(413,544)	(413,544)
0	(121,062)	(121,062)	Non-Domestic Rates	0	(131,182)	(131,182)
3,081	(240,341)	(237,260)	Council Tax Income	1,520	(248,520)	(247,000)
0	(6,022)	(6,022)	Donated Inventories	1,273	0	1,273
812	0	812	Tax expenses - Corporation Tax	374	(37)	337
3,893	(867,909)	(864,016)	Taxation & Non-Specific Grant Income	3,167	(907,395)	(904,228)

2021/22				2022/23		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
1,506,134	(1,532,235)	(26,101)	(Surplus)/Deficit on Provision of Services	1,556,985	(1,541,903)	15,082
		(32,036)	(Surplus)/Deficit on revaluation of non current assets			(19,206)
		(90)	(Surplus)/Deficit on Financial Instrument Revaluation Reserve			20
		(307,373)	Remeasurement of the net defined benefit liability/(asset)			(726,020)
		0	Other gains/losses to be included in the Comprehensive Income and Expenditure			0
		(339,499)	Other Comprehensive Income & Expenditure			(745,206)
		(365,600)	Total Comprehensive Income & Expenditure			(730,124)

The 2021/22 breakdown of the Net Cost of Services has been amended to take account of the changes in structure in 2022/23

Group Movement in Reserves

	Council Fund Balance	Council Fund Earmarked Reserves	HRA Balance	HRA Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves Council	Unusable Reserves - Group Entities	Total Authority Reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2021 carried forward	14,255	102,502	15,502	3,700	8,673	0	144,632	164,694	5,557	314,883
Movement in Reserves during 2021/22										
Surplus or (deficit) on the provision of Services	8,283	0	14,433	0	0	0	22,716	0	3,385	26,101
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	339,499	0	339,499
Total Comprehensive Income and Expenditure	8,283	0	14,433	0	0	0	22,716	339,499	3,385	365,600
Adjustments between accounting basis & funding basis under regulations	40,225	0	(7,546)	0	(1,833)	6,972	37,818	(37,818)	0	0
Net Increase / (Decrease) before Transfers to/(from) Earmarked Reserves	48,508	0	6,887	0	(1,833)	6,972	60,534	301,681	3,385	365,600
Transfers to/(from) Earmarked Reserves	(48,508)	48,508	(6,887)	6,887	0	0	0	0	0	0
Increase / (Decrease) in 2021/22	0	48,508	0	6,887	(1,833)	6,972	60,534	301,681	3,385	365,600
Balance at 31 March 2022 carried forward	14,255	151,010	15,502	10,587	6,840	6,972	205,166	466,375	8,942	680,483
Movement in Reserves during 2022/23										
Surplus or (deficit) on the provision of Services	(64,723)	0	48,245	0	0	0	(16,478)	0	1,396	(15,082)
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	745,206	0	745,206
Total Comprehensive Income and Expenditure	(64,723)	0	48,245	0	0	0	(16,478)	745,206	1,396	730,124
Adjustments between accounting basis & funding basis under regulations	63,226	0	(46,412)	0	840	0	17,654	(17,654)	0	0
Net Increase / (Decrease) before Transfers to/(from) Earmarked Reserves	(1,497)	0	1,833	0	840	0	1,176	727,552	1,396	730,124
Transfers to/(from) Earmarked Reserves	1,497	(1,497)	(1,833)	1,833	0	0	0	0	0	0
Increase / (Decrease) in 2022/23	0	(1,497)	0	1,833	840	0	1,176	727,552	1,396	730,124
Balance at 31 March 2023 carried forward	14,255	149,513	15,502	12,420	7,680	6,972	206,342	1,193,927	10,338	1,410,607

Group Balance Sheet

31 March 2022		31 March 2023
£000		£000
2,016,110	Property, Plant & Equipment including Infrastructure Assets	2,115,149
58,849	Heritage Assets	67,955
150,718	Investment Properties	167,560
1,135	Intangible Non-Current Assets including AUC	1,098
705	Long-term Investments	2,155
10,906	Long-term Debtors	11,772
584	Deferred tax asset	210
2,239,007	Total Long-Term Assets	2,365,899
212,912	Short-term Investments	97,248
0	Assets Held for Sale	4,000
12,170	Inventories	10,980
185,213	Short-term Debtors	191,228
34,527	Cash and Cash Equivalents	66,773
444,822	Total Current Assets	370,229
(31,311)	Short-term Borrowing	(12,850)
(181,722)	Short-term Creditors	(141,494)
(1,035)	Pension Strain	(1,737)
(4,977)	Provisions	(3,945)
(4,277)	Deferred Liabilities	(3,985)
(223,322)	Total Current Liabilities	(164,011)
(832,819)	Long Term Borrowing	(850,737)
(24,988)	Provisions	(25,429)
(10,351)	Deferred Liabilities	(10,010)
(16,521)	Revenue Grants Receipts in Advance	(8,020)
(17,404)	Capital Grants Receipts in Advance	(28,715)
(22,388)	Capital Contributions Receipts in Advance	(31,296)
(1,296)	Pension Strain	(494)
(854,255)	Net Pensions Liability	(206,809)
0	Deferred Tax Liability	0
(1,780,022)	Total Long-Term Liabilities	(1,161,510)
680,485	NET ASSETS	1,410,607
	Financed by:	
14,255	Council Fund Balance	14,255
151,012	Council Fund Earmarked Reserves	149,513
15,502	Housing Revenue Account Balance	15,502
10,587	Housing Revenue Account Earmarked Reserves	12,420
6,840	Capital Receipts Reserve	7,680
6,972	Capital Grants Unapplied	6,972
205,168	Usable Reserves	206,342
349,693	Revaluation Reserve	366,462
977,282	Capital Adjustment Account	1,046,902
5,003	Deferred Capital Receipts	66
4,540	Financial Instruments Revaluation Reserve	4,519
(867,671)	Pensions Reserve	(220,374)

31 March 2022		31 March 2023
£000		£000
(17,054)	Accumulated Absences Adjustment Account	(16,978)
9,234	Donated Inventories	7,961
14,290	Reserves (Group Entities)	15,707
475,317	Unusable Reserves	1,204,265
680,485	TOTAL RESERVES	1,410,607

Group Cash Flow

2021/22		2022/23
£000		£000
(26,101)	Net (Surplus) /Deficit on the provision of services	15,082
(235,082)	Adjustments to net surplus or deficit on the provision of services for non-cash movements	(106,819)
129,979	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(836,436)
(131,204)	Net cash flows from operating activities	(928,173)
191,372	Purchase of property, plant and equipment, investment property and intangible assets	197,805
111,150	Purchase of short-term and long-term Investments	837,720
15,560	Other payments for investing activities	(10,220)
(2,649)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(10,115)
(126,516)	Capital Grants and Contributions	(121,623)
188,917	Net cash flows from investing activities	893,567
(72,479)	Cash receipts from short-term and long-term borrowing	(31,694)
(2,487)	Other receipts from financing activities	10,604
2,233	Cash payments for the reduction of outstanding liabilities relating to finance leases	680
27,533	Repayments of short-term and long-term borrowing	22,770
(45,200)	Net cash flows from financing activities	2,360
12,513	Net (increase)/ decrease in cash and cash equivalents	(32,246)
47,040	Cash and cash equivalents at the beginning of the reporting period	34,527
34,527	Cash and cash equivalents at the end of the reporting period	66,773

Notes to Group Accounts

The following notes to the Group Accounts provide additional information in relation to Cardiff Bus. Further information can be found in the accounts of Cardiff City Transport Services Ltd (Cardiff Bus) company number 02001229.

1. Remuneration

The number of Cardiff Bus employees whose remuneration is over £60,000 per annum is disclosed below.

Number of Employees	Remuneration band £	Number of Employees
2021/22		2022/23
1	60,000-69,999	0
0	70,000-74,999	0
1	75,000-79,999	1
3	80,000-84,999	3
0	85,000-139,999	0
1	140,000-144,999	1
6	Total	5

2. Related Parties Disclosures

Related party transactions and balances of the group are as contained in note 10 to the single entity financial statements. Cardiff Bus have separately recognised related party transactions between itself and the Council, and also between itself and its own subsidiary, but not between itself and any other organisations.

3. Exceptional Items

There are no exceptional items included in the Group Accounts.

4. Financial Instruments

In addition to the financial instrument disclosures in the single entity accounts it should be noted that the Council's shareholding in Cardiff Bus ceases to be a financial instrument, as the group balance sheet includes the net assets of the subsidiary and their corresponding net worth.

5. Prior Period Adjustment

There are no prior period adjustments.



Trust Funds



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Trust Funds

During 2022/23, the Corporate Director Resources had financial responsibility for a number of charities. Although their financial administration is integrated with that of the Council, the charities are legally separate from it. Separate financial statements are produced for each, which are in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by Charities, published by the Charity Commissioners.

The charities are managed, and expenditure is approved in accordance with criteria set out in the governing document of each one.

The Council is the sole trustee of the following charities, the purposes of which are outlined below. Numbers in brackets are the charity registration numbers.

Llandaff War Memorial Fund (219060) – Upkeep of the war memorial at Llandaff.

Maindy Park Foundation (524137) – Recreation or other leisure-time occupation for the benefit of the inhabitants of the City of Cardiff with the object of improving the conditions of life for those inhabitants.

Cardiff Further Education Trust Fund/Craddock Wells Trust (525512) – Provision of premises for educational purposes and grants to eligible students. The property provided by the trust is used by the Council as the site for Cardiff High School.

Heath Public Recreation or Pleasure Ground (524135) – Land is held as a public recreation and pleasure ground. There are no balances or income and expenditure for this trust.

King George's Field the Heath (1140393) – Land to be used to provide a public playing field. There are no balances or income and expenditure for this trust.

Playing Field (524139) – Land is held for educational use. There are no balances or income and expenditure for this trust.

Norwegian Church Preservation Trust (519831) – Assets of the Norwegian Church Preservation Trust (NCPT) have been transferred to the Norwegian Church Cardiff Bay charity, a non-Council charity. NCPT charity pending formal closure. There are no balances or income and expenditure for this trust.

The accounts for the Cardiff Further Education Trust are required by the Charity Commission to be independently examined. The accounts for the year ended 31 March 2023 have yet to be examined.

The Council administers the following charities, the purposes of which are outlined below: -

R Fice Memorial Trust (702695) – Provide financial assistance to those playing brass instruments.

The Howardian Trust (1019801) – Provide financial support to young people in the former catchment area of Howardian High School.

A financial summary, where relevant, for each fund follows. Detailed financial statements may be obtained from:

Christopher Lee
Corporate Director Resources
County Hall
Cardiff
CF10 4UW

	Balance as at 31 March 2022 £	Income £	Expenditure £	Asset Revaluation £	Balance as at 31 March 2023 £
Funds for which the Council is Sole Trustee					
Llandaff War Memorial Fund	(1,408)	(47)	11	0	(1,444)
Maindy Park Foundation	(79,384)	(1,659)	11	0	(81,032)
Cardiff Further Education Trust/Craddock Wells	(24,849,249)	(156,662)	17,541	218,485	(24,769,885)
Total funds for which the Council is Sole Trustee	(24,930,041)	(158,368)	17,563	218,485	(24,852,361)
Funds administered by the Council					
R Fice Memorial Trust	(63,938)	(2,267)	2,173	3,894	(60,138)
The Howardian Trust	(39,589)	(919)	0	2,493	(38,015)
Total funds which are administered by the Council	(103,527)	(3,186)	2,173	6,387	(98,153)
Total	(25,033,568)	(161,554)	19,736	224,872	(24,950,514)

There will be differences in the income and expenditure figures quoted above compared to those included in the return to the Charity Commission. The figures above are calculated on an accruals basis whereas the returns are calculated on a cash basis.



Cardiff Harbour Authority



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Narrative Report

Introduction

This document presents the Statement of Accounts for Cardiff Harbour Authority. Section 42(1) of the Harbours Act 1964 sets out that statutory undertakings, such as local authorities that have functions of maintaining, improving or managing a harbour are required to prepare an annual statement of accounts relating to the harbour activities. The financial statements that follow are an extract from the accounts of the County Council of the City and County of Cardiff and have been prepared in line with International Financial Reporting Standards (IFRS) as well as the requirements of the Companies Act 2006.

This narrative report replaces the Director's report required by the Companies Act 2006.

Annual Governance Statement

The Harbour Authority is not a separate entity to the Council and the financial transactions and systems, governance and controls of the Harbour Authority are integrated into those of the Council.

Agreement

By an Agreement dated 27 March 2000 made pursuant to and for the purposes of section 165 of the Local Government Planning and Land Act 1980 (as amended), the Council agreed to take responsibility for and to discharge the Harbour Authority undertaking and obligations in regard to the bay and the outer Harbour, under the terms of the Cardiff Bay Barrage Act 1993.

The Agreement has since been varied by Deeds of Variation between the Welsh Ministers and Council, with the latest dated 24 May 2022.

Review of the Financial Year

For the financial year 2022/23, the Council worked with Welsh Government to identify pressures around increases in materials, contractors, energy prices, as well as historical shortfalls in service level agreement budgets and to agree on an appropriate budget arrangement for Asset Renewal. The Welsh Government agreed Fixed Costs funding of £5.374 million and Asset Renewal of £26,000. Additional Asset Renewal funding of £521,000 was awarded to cover upgrade works on the Senedd Boardwalk and to upgrade works to control system, resulting in a total approved budget of £5.921 million.

The outturn position included overspends on maintenance dredging, groundwater control and barrage maintenance reflecting materials and contractor price increases. These variances were mitigated by additional income from Harbour dues, site fees and car parking.

The financial deficit after accounting adjustments for the year ended 31 March 2023 was £2.683 million (£2.649 million in 2021/22).

Total capital expenditure incurred during the year was £571,000 and included purchase and installation of boardwalk decking, upgrading barrage control equipment and purchase of asset management software.

Key Achievements

The Harbour Authority action plan and performance indicators, which form part of the Business Plan, reported to the Welsh Government include:

- A continuation of the water safety project to warn of the dangers of swimming and tombstoning in the Bay. An online film with workshops via Theatre Na Nog, supported by Arts and Business Culture Step grant was delivered.
- Three Green Flag Awards were retained at the: Barrage, Cardiff Bay Wetlands and Flat Holm Island.
- ISO14001 audit resulting in retention of the award for ensuring excellent environmental management.
- 350 tonnes of waste removed from the rivers and safely disposed throughout the year.
- 76,624 Cardiff Bay Wetlands users throughout the year.
- 1,108,742 Barrage users throughout the year.
- 25,980 Social Media followers across Facebook, Twitter and Instagram accounts.
- 99% compliance on Dissolved Oxygen performance.
- Delivery of the Cardiff 10k run and Cardiff Half Marathon.
- More than 1,500 youth and school sailing sessions at Cardiff Sailing Centre.
- Development of a PhD proposal with Cardiff University and the Water Research Institute to investigate environmental challenges to Cardiff Bay and inform the future need for the aeration system.

Guide to the Financial Statements

The main statements provided are shown in the pages that follow along with supporting notes. Cash flows of the Harbour Authority are integrated with those of the Council. A Cash Flow Statement has not been provided, in accordance with Section 396 of the Companies Act 2006.

Comprehensive Income and Expenditure Statement

Provides information on how the Harbour Authority has performed throughout the year and as a result, whether or not their operations have resulted in a surplus or a deficit. The Harbour Authority has operated within budget but statutory adjustments including capital charges are the reason the Comprehensive Income and Expenditure Statement is showing a deficit.

Balance Sheet

Provides a 'snapshot' of the Harbour Authority's assets, liabilities, cash balances and reserves at the year-end date.

Statement of Responsibilities for the Financial Statements and Corporate Director Resources Certificate

The Corporate Director Resources Responsibilities

The Corporate Director Resources is responsible for the preparation of the Statement of Accounts in accordance with the requirements of the Harbours Act 1964.

In preparing these financial statements, the Corporate Director Resources has:

- selected suitable accounting policies and then applied them consistently except where policy changes have been noted in these accounts.
- made judgements and estimates that were reasonable and prudent.

The Corporate Director Resources has also:

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

The Corporate Director Resources Certificate

The financial statements for the Cardiff Harbour Authority give a true and fair view of its income and expenditure for the financial year 2022/23 and financial position of the Harbour Authority at 31 March 2023.

Christopher Lee
Corporate Director Resources

Date:

The Independent Auditor's Report of the Auditor General for Wales to those charged with governance of Cardiff Harbour Authority

Opinion on financial statements

I have audited the financial statements of Cardiff Harbour Authority for the year ended 31 March 2023 under the Public Audit (Wales) Act 2004.

The Cardiff Harbour Authority's financial statements comprise the Comprehensive Income and Expenditure Statement, the Balance Sheet and related notes.

The financial reporting framework that has been applied in their preparation is applicable law and the International Financial Reporting Standards (IFRSs).

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

- give a true and fair view of the financial position of Cardiff Harbour Authority as at 31 March 2023 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and international accounting standards.

Basis of opinion

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

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

Conclusions relating to going concern

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

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

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

Other Information

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

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

statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

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

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and related notes.

Matters on which I report by exception

In the light of the knowledge and understanding of Cardiff Harbour Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report.

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

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

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

My procedures included the following:

- enquiring of management, and those charged with governance, including obtaining and reviewing supporting documentation relating to Cardiff Harbour Authority's policies and procedures concerned with:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals;
 - obtaining an understanding of Cardiff Harbour Authority’s framework of authority as well as other legal and regulatory frameworks that Cardiff Harbour Authority operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Cardiff Harbour Authority; and
 - obtaining an understanding of related party relationships

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

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

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

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Cardiff Harbour Authority’s controls, and the nature, timing and extent of the audit procedures performed.

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

Other auditor’s responsibilities

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

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Cardiff Council in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales’ Code of Audit Practice.

Adrian Crompton
Auditor General for Wales

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

Accounting policies used when formulating the accounts

In accordance with the Accounts and Audit (Wales) Regulations 2014, this Statement of Accounts summarises the Harbour Authority's transactions for the 2022/23 financial year and its financial position at 31 March 2023. The accounts are prepared in accordance with International Financial Reporting Standards (IFRS). A number of the accounting policies used in preparing these accounts, along with any critical assumptions and sources of estimation used are the same as those for the accounts of the Council. Whilst these are not replicated in full, the key policies applied are below:

1. Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not when the cash payments are made or received. Where income 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. There is a de minimis threshold of £500 under which income and expenditure may not be accrued.

2. Employee Benefits Payable during Employment

Short-term employee benefits such as wages and salaries, paid annual leave, sick leave and expenses are paid on a monthly basis and reflected as expenditure on an accruals basis within the Employees expenditure line in the Comprehensive Income and Expenditure Statement.

3. Grants and Contributions

Grants and other contributions are accounted for on an accruals basis and recognised when:

- there is reasonable assurance that the Authority will comply with the conditions for their receipt and
- there is reasonable assurance that the grant or contribution will be received.

Revenue

Grants, for which conditions have not yet been satisfied, are carried in the Balance Sheet as Revenue Grants Receipts in Advance. When conditions have been satisfied, the grant or contribution is credited to Income in the Comprehensive Income and Expenditure Statement. Where there is no longer any reasonable assurance that the conditions will be met, sums received will not be recognised as a receipt of grant but as a repayment due to the awarding body and held on the Balance Sheet as a liability if it remains unpaid.

Capital

Grants and contributions that are applied in the year to fund capital schemes are treated as revenue income and credited to the Comprehensive Income and Expenditure Statement. Where a specific Capital grant or contribution has been received but remains unapplied, this is deemed to represent a condition and is shown as a Creditor.

4. Inventories

Inventories are measured and held at the lower of cost or net realisable value. When such inventories are sold, exchanged or distributed, the carrying amount is recognised as expenditure.

5 *Overheads and Support Services Costs*

Cardiff Council makes recharges in respect of the cost of support services to the Harbour Authority. The total absorption costing principle is used so that the full cost of overheads and support services are shared between users in proportion to the benefits received.

6 *Non-Current Assets*

Property, Plant, Equipment

These assets are those that have physical substance used in the production or supply of goods or services, those intended to be held indefinitely, those used for the promotion of culture and knowledge and those expected to be used during more than one financial year.

Investment Properties

Investment properties are those held solely to earn rentals and/or for capital appreciation such as; ground leases, land held for future development as strategic sites and other land and buildings that meet Investment property criteria.

Intangible Non-Current Assets

Intangible assets are those that do not have physical substance but are identifiable and controlled by the Harbour authority. In the case of Computer software and licences, these will be capitalised where they relate to the enhancement or development of systems, expenditure on which is deemed to generate long-term economic benefits to the Council in the form of savings and improvements in service delivery.

Recognition:

Expenditure on the acquisition, creation or enhancement of such assets is capitalised on an accruals basis. All expenditure incurred on existing assets is assumed to result in enhancement of the asset and will be shown in the accounts as an addition to the asset.

The Harbour Authority recognises heritage assets where it may have incurred separately identifiable expenditure on their acquisition or preservation at historic cost or where it has information on the value of the asset.

Once assets have fully depreciated, they are disposed of and the carrying value is removed from the asset register.

Measurement:

Assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the specific asset into working condition for its intended use, excluding borrowing costs which are not capitalised. These assets are then carried in the Balance Sheet using the following measurement bases:

Asset Type	Measurement	Range of Remaining Useful Lives
------------	-------------	---------------------------------

Assets under Construction	Depreciated Historical Cost	n/a
Buildings	Existing Use or Depreciated Replacement Cost	10-90
Community Assets	Depreciated Historical Cost	n/a
Heritage Assets	Historic Cost and only measured at fair value where the benefits of doing so outweigh the costs	n/a
Infrastructure *	Depreciated Historical Cost	1-117
Intangible Assets	Amortised Historical Cost	3-7
Investment Properties	Fair Value	n/a
Surplus Assets	Fair Value	n/a
Vehicles, Plant, Furniture & Equipment	Depreciated Historical Cost	1-14

* Included within Infrastructure is the Cardiff Bay Barrage which is being depreciated over the design life of 120 years.

Revaluations:

Land and buildings are revalued as part of a three year rolling programme.

Investment Properties and Surplus Assets are reviewed annually for any material changes as a result of the overall Market with a formal revaluation of Investment properties at least every two years.

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to expenditure.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only; the date of its formal implementation.

Charges to Revenue for Non-Current Assets:

The Capital charges line on the Harbour Authority Comprehensive Income and Expenditure Statement is debited with the following amounts to record the cost of holding assets during the year:

- depreciation attributable to the assets
- impairment and revaluation losses on assets where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.

The Harbour Authority does not receive grants for depreciation or any other accounting adjustments for non-current assets.

Impairment and Downward Revaluation:

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired in value, either due to a significant reduction in service potential or significant permanent market value reduction. Where a material change in value is identified, the accounting treatment is 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
- thereafter, or if there is no balance in the Revaluation Reserve, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

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

Depreciation:

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

7. Reserves

The Harbour Authority holds a general reserve for accumulated operational surpluses and deficits and a revaluation reserve to manage the accounting processes for non-current assets.

8. Value Added Tax

The Harbour Authority does not have a separate VAT registration to the Council and apart from certain cases where the Harbour Authority funds supplies of goods or services to other persons or organisations, the Harbour Authority is reimbursed for VAT. These accounts have been prepared exclusive of VAT, except where deemed irrecoverable.

Comprehensive Income and Expenditure Statement

2021/22		2022/23
£000		£000
	Expenditure	
2,975	Employees	3,121
1,354	Premises	1,357
120	Transport	129
1,601	Supplies and Services	2,165
434	Support Services	384
3	Third Party Payments	5
2,826	Capital Charges	2,844
9,313	Total Expenditure	10,005
	Income	
(4,979)	Government Grants	(5,673)
(704)	Capital Grants Applied	(460)
(981)	Fees and Charges	(1,189)
(6,664)	Total Income	(7,322)
2,649	Net Expenditure for the Year	2,683

Balance Sheet

31 March 2022		Note	31 March 2023
£000			£000
162,304	Property, Plant and Equipment incl Infrastructure Assets	2	159,989
56	Heritage Assets	2	56
123	Intangible Assets	2	249
483	Investment Properties	2	425
162,966	Total Long Term Assets		160,719
437	Inventory	3	444
2,719	Debtors	4	137
(2,995)	Cash		(399)
161	Total Current Assets		182
(900)	Creditors	5	(1,275)
(900)	Total Current Liabilities		(1,275)
162,227	Net Assets		159,626
	Funded by:		
150,889	General Reserve	1	148,206
11,338	Revaluation Reserve	1	11,420
162,227	Total Reserves		159,626

Notes to the Financial Statements

1. Reserves

Held within the General Reserve is an earmarked amount reserved for project activities and contingencies. This amount is £130,000 as at 31 March 2023 (£104,000 as at 31 March 2022).

2021/22			2022/23	
General Reserve £000	Revaluation Reserve £000		General Reserve £000	Revaluation Reserve £000
153,538	4,489	Balance as at 1 April	150,889	11,338
(2,649)	6,849	Movements in Reserves	(2,683)	82
150,889	11,338	Balance as at 31 March	148,206	11,420

2. Movements in Property, Plant, Equipment & Other Long-Term Assets

Long term assets are primarily Property, Plant and Equipment, with movements analysed in the table that follows.

Property, Plant and Equipment	Other Land & Buildings	Vehicles, Plant & Equipment	Community Assets	Surplus Assets	Assets under construction	Total Property, Plant & Equipment	Investment Properties	Heritage Assets	Intangible Assets
Movements in Cost or Value	£000	£000	£000	£000	£000	£000	£000	£000	£000
1 April 2021	6,577	1,403	1,103	43	0	9,126	333	56	79
Additions	0	471	0	0	105	576	0	0	89
Revaluations Increases/(Decreases) recognised in the RR	6,696	0	0	0	0	6,696	0	0	0
Revaluations Increases/(Decreases) recognised in the SDPS	(14)	0	0	0	0	(14)	0	0	0
Derecognition - Disposals	0	(155)	0	0	0	(155)	0	0	0
Other Reclassifications - Transfers	(150)	0	0	0	0	(150)	150	0	0
At 31 March 2022	13,109	1,719	1,103	43	105	16,079	483	56	168
Additions	0	(17)	0	0	434	417	0	0	180
Revaluations Increases/(Decreases) recognised in the RR	36	0	0	0	0	36	0	0	0
Revaluations Increases/(Decreases) recognised in the SDPS	18	0	0	0	0	18	(58)	0	0
Derecognition - Disposals	0	(161)	0	0	0	(161)	0	0	0
Other Reclassifications - Transfers	0	0	0	0	0	0	0	0	0

Property, Plant and Equipment	Other Land & Buildings	Vehicles, Plant & Equipment	Community Assets	Surplus Assets	Assets under construction	Total Property, Plant & Equipment	Investment Properties	Heritage Assets	Intangible Assets
Movements in Cost or Value	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 31 March 2023	13,163	1,541	1,103	43	539	16,389	425	56	348
Movements in Depreciation/Impairment									
1 April 2021	216	812	0	0	0	1,028	0	0	16
Depreciation Charge	224	206	0	0	0	430	0	0	29
Depreciation written out to the RR	(153)	0	0	0	0	(153)	0	0	0
Depreciation written out to the SDPS	(62)	0	0	0	0	(62)	0	0	0
Derecognition - Disposals	0	(155)	0	0	0	(155)	0	0	0
At 31 March 2022	225	863	0	0	0	1,088	0	0	45
Depreciation Charge	228	181	0	0	0	409	0	0	54
Depreciation written out to the RR	(47)	0	0	0	0	(47)	0	0	0
Depreciation written out to the SDPS	(17)	0	0	0	0	(17)	0	0	0
Derecognition - Disposals	0	(161)	0	0	0	(161)	0	0	0
At 31 March 2023	389	883	0	0	0	1,272	0	0	99
Net Book Value:									
At 31 March 2022	12,884	856	1,103	43	105	14,991	483	56	123
At 31 March 2023	12,774	658	1,103	43	539	15,117	425	56	249

2021/22	Net Book Value	2022/23
147,313	Infrastructure Assets	144,872
14,991	Other PPE Assets	15,117
483	Investment Properties	425
56	Heritage Assets	56
123	Intangible Assets	249
162,966	Total Assets	160,719

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.

As detailed in the revised guidance applicable to all authorities, the authority 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.

The authority has determined in accordance with Regulation 24L Wales of the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 (as amended) that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure, is nil.

The Infrastructure Assets Net Book Value is as follows:

2021/22 £000	Infrastructure Assets	2022/23 £000
149,691	Net Book Value at 1 April	147,313
39	Additions	(26)
(2,417)	Depreciation	(2,415)
0	Other movements in cost (Reclassification)	0
147,313	Net Book Value at 31 March	144,872

3. Inventory

31 March 2022 £000		31 March 2023 £000
434	Balance as at 1 April	437
3	Stock adjustment	7
437	Balance as at 31 March	444

4. Debtors

31 March 2022 £000		31 March 2023 £000
2,649	Central Government Bodies	90
70	Trade Receivables	47
2,719	Total Debtors	137

5. Creditors

31 March 2022 £000		31 March 2023 £000
(133)	Central Government Bodies	(35)
(767)	Trade Payables	(1,240)
(900)	Total Creditors	(1,275)



Glossary of Accounting Terms



CRYFACH
TECACH
GWYRDDACH

STRONGER
FAIRER
GREENER



Knowledge of basic accountancy terminology is assumed. However, there are certain specialist terms related to local government finance, which are described below:

Accruals Basis

The accruals principle is that income is recorded when the goods or services are provided rather than when the payment is received, and expenses are recorded when goods or services are received rather than when the payment is made.

Actuarial Gains and Losses

For a defined benefit pension's scheme, the changes in actuarial deficits or surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation, or the actuarial assumptions have changed.

Agency Services

The provision of services or functions, which are the responsibility of one Authority or public body, by another. The policy and financial resources are set by the principal Authority and implemented by the agent Authority.

Assets Held for Sale

Assets meeting all the criteria of: - immediately available for sale, where the sale is highly probable, actively marketed and expected to be sold within 12 months.

Asset under Construction

An asset that is not yet complete.

Borrowing

Loans taken out taken out by the Council to pay for capital expenditure or for the prudent management of the Council's financial affairs.

Capital Adjustment Account

The Account accumulates (on the debit side) the write-down of the historical cost of non-current assets as they are consumed by depreciation and impairments or written off on disposal. It accumulates (on the credit side) the resources that have been set aside to finance capital expenditure. The same process applies to capital expenditure that is only capital by statutory definition (revenue expenditure funded by capital under statute). The balance on the account thus represents timing differences between the amount of the historical cost of non-current assets that has been consumed and the amount that has been financed in accordance with statutory requirements.

Capital Expenditure

Capital expenditure pays for improvements to existing and new assets used in the delivery of Council services as well as other items determined by Regulation. Capital resources are scarce, costly and also have long term revenue implications over many years and even generations where capital expenditure is funded by borrowing. Hence the requirement of the Prudential Code to ensure what is charged as Capital Expenditure is Prudent, Sustainable and Affordable.

The statutory definition of capital expenditure is given in the Local Government Act 2003, the Local Authorities (Capital Finance) Regulations 2003 and 2004 amended. Statute relies on the accounting measurement of cost in IAS 16 to determine whether expenditure is eligible to be capitalised or whether it should be treated as revenue expenditure. Key to what is eligible as capital spend are the following words in IAS 16 - 'Costs directly attributable to bringing the specific asset into working condition for its intended use'.

Capital Financing Requirement

A Council's underlying need to borrow for a capital purpose. It measures capital expenditure incurred but not yet financed by the receipt of grants, contributions and charges to the revenue account via a prudent minimum revenue provision.

Capital Receipts

Income from the sale of capital assets that can be used to fund new capital expenditure schemes or reduce the underlying need to borrow. Capital receipts cannot be used to fund revenue expenditure, unless they relate to the costs of securing disposal or where a ministerial permission allows.

Carrying Amount

The Balance Sheet value recorded of either an asset or a liability.

Cash and Cash Equivalents

Sums of money available for immediate use and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Chartered Institute of Public Finance & Accountancy (CIPFA)

CIPFA is the leading professional accountancy body which determines accounting standards and reporting standards to be followed by Local Government.

Community Assets

These are non-current assets that the Council intends to hold in perpetuity which have no determinable finite useful life and, in addition, may have restrictions on their disposal. Examples include parks and historical buildings not used for operational purposes.

Contingent Liabilities or Assets

These are amounts potentially due to or from individuals or organisations which may arise in the future but which at this time cannot be determined accurately, and for which provision has not been made in the Council's accounts.

Council Dwellings

Flats and Houses owned by the Council as part of its Housing Revenue Account and provided at an affordable level of rent which is lower than market rent.

Council Fund Balance

The Council Fund Balance represents the cumulative retained surpluses on the Council's revenue budget. It provides a working balance which can be used to cushion the Council against unexpected events or emergencies. It is reviewed annually to ensure it remains at an appropriate level.

Credit Criteria

The parameters used as a starting point in considering with whom the Council may place investments, aimed at ensuring the security of the sums invested.

Credit Rating

A credit rating assesses the credit worthiness of an individual, corporation or country. Credit ratings are calculated from financial history and current assets and liabilities. Typically, a credit rating tells a lender or investor the probability of the subject being able to pay back a loan.

Creditors

Amounts owed by the Council for work done, goods received, or services rendered, for which payment has not been made at the date of the balance sheet.

Current Service Cost (Pensions)

Current Service Cost is the increase in the present value of a defined benefit pension scheme's liabilities expected to arise from employee service in the current period, i.e., the ultimate pension benefits "earned" by employees in the current year's employment.

Current Value

The current value of an asset reflects the economic environment prevailing for the service or function the asset is supporting at the reporting date.

Curtailement (Pensions)

For a defined benefit pension scheme an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service.

Debtors

These are sums of money due to the Council that have not been received at the date of the Balance Sheet.

Deferred Capital Receipts

These represent capital income still to be received after disposals have taken place.

Defined Benefit Scheme (Pensions)

This is a pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

Defined Contribution Scheme (Pensions)

A Defined Contribution Scheme is a pension or other retirement benefit scheme into which an employer pays regular contributions as an amount or as a percentage of pay and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Depreciation/Impairment/Amortisation

A charge made to the Comprehensive Income and Expenditure Statement to reflect an estimate of the use or consumption of non-current assets in the year in the provision of Council services.

De-recognition

Financial assets and liabilities will need to be removed from the Balance Sheet once performance under the contract is complete or the contract is terminated.

Direct Revenue Financing

The amount of revenue funding in the year used to pay for capital expenditure incurred.

Earmarked Reserves

Amounts set aside to be used to meet specific, known or predicted future expenditure.

External Audit

The independent examination of the activities and accounts of Local Authorities to ensure the accounts have been prepared in accordance with legislative requirements and proper practices and to ensure the Council has made proper arrangements to secure value for money in its use of resources.

Fair Value

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.

Finance Lease

A finance lease is a lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term 'financial instrument' covers both financial assets and financial liabilities and includes both the most straightforward financial assets and liabilities such as trade receivables and trade payables and the most complex ones such as derivatives and embedded derivatives.

Heritage Asset

A tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

Housing Revenue Account (HRA)

Local Authorities are required to maintain a separate account - the Housing Revenue Account - which sets out the expenditure and income arising from the provision of Council housing. Other services are charged to the Council Fund.

Impairment

A reduction in the value of assets below its value brought forward in the Balance Sheet. Examples of factors which may cause such a reduction in value include general price decreases, a significant decline in an asset's market value or recoverability and evidence of obsolescence or physical damage to the asset.

Infrastructure Assets

Fixed Assets which generally cannot be sold and from which benefit can be obtained only by continued use of the asset created. Examples of such assets are highways, footpaths, bridges and water and drainage facilities.

Intangible Assets

These are assets that do not have physical substance but are identifiable and controlled by the Council. Examples include software, licenses and patents.

Interest Cost (Pensions)

For a defined benefit scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement.

Investment Properties

Property, which can be land or a building or part of a building or both, that is held solely to earn rentals or for capital appreciation or both, rather than for operational purposes.

Investments

The purchase of financial assets in order to hold temporary cash balances, receive income and/or make capital gain at a future time.

Joint Venture

A joint venture is a joint arrangement whereby the parties who have joint control of the arrangement have rights to the net assets of the arrangement.

Lender Option Borrower Option Loans (LOBOs)

Loans to the Council where the lender can request a change in the rate of interest payable by the Council at pre-defined dates and intervals. The council at this point has the option to repay the loan.

Levy

An amount of money which a Local Authority is required to collect on behalf of another organisation.

Liabilities

These are amounts due to individuals or organisations which will have to be paid at some time in the future. Current liabilities are usually payable within one year of the Balance Sheet date.

Materiality

Information is material if omitting it or misstating it could influence the decisions that users make on the basis of financial information about a specific reporting authority.

Market Loans

Borrowing that is sourced from the market i.e., organisations other than the Public Works Loan Board or a Public Body.

Net Book Value (NBV)

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

Non-domestic rates (NDR)

A levy on businesses collected by billing Authorities, on behalf of the Welsh Government, and paid into an All Wales Pool. The Pool is then redistributed amongst all Welsh Authorities on the basis of population.

Operating Lease

This is a type of lease, usually of computer equipment, office equipment, furniture, etc. where the balance of risks and rewards of holding the asset remains with the lessor. The asset remains the property of the lessor and the lease costs are revenue expenditure to the Authority.

Pension Fund

A fund built up from deductions from employees' pay, contributions from employers and investment income from which pension benefits are paid.

Precept

A demand levied by one public Authority, which is collected on its behalf by another Authority.

Prior Period Adjustments

These are material adjustments which are applicable to an earlier period arising from changes in accounting policies or for the correction of fundamental errors.

Projected Unit Method (Pensions)

An actuarial method of calculating the liabilities of a pension scheme which allows for projected future increases in pensionable pay up to retirement or date of leaving service

Property, Plant and Equipment (PPE)

Tangible assets (i.e., assets that have physical substance) that are held for use in the production or supply of goods and services, for rental to others, or for administrative purposes, and are expected to be used during more than one year.

Provisions

Amounts set aside in respect of liabilities or losses which are likely or certain to be incurred, but in relation to which the exact amount and date of settlement may be uncertain.

Prudential Code for Capital Finance

The system introduced on 1 April 2004 by Part 1 of the Local Government Act 2003 which allows local Authorities to borrow without Government consent, provided that they can afford to service the debt from their own resources and that any such borrowing is prudent and sustainable. This requires the preparation and approval of various indicators.

Prudent Revenue Provision (PRP)

An amount set aside as a provision each year to repay loans taken out to pay for capital expenditure. This has the effect of reducing the Capital Financing Requirement (CFR).

Public Works Loan Board (PWLB)

The Public Works Loan Board is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. PWLB's function is to lend money from the National Loans Fund to local Authorities and other prescribed bodies, and to collect the repayments.

Recharge

An internal charge for services rendered by one Council directorate or section to another.

Related Parties

Related parties are Central Government, other Local Authorities, precepting and levying bodies, subsidiary and associated companies, Elected Members, all senior officers from Director and above. For individuals identified as related parties, the following are also presumed to be related parties:

- members of the close family, or the same household; and
- partnerships, companies, trusts or other entities in which the individual, or member of their close family or the same household, has a controlling interest.

Reserves

Reserves are amounts set aside for future use (usable) or required for accounting purposes only (unusable). Reserves may be for a specific purpose in which case they are referred to as 'earmarked reserves' or they may be general reserves (or balances) maintained as a matter of prudence.

Revaluation Reserve

The Reserve records the accumulated gains on the non-current assets held by the Council arising from increases in value as a result of inflation or other factors (to the extent that these gains have not been consumed by subsequent downward movements in value).

Revenue Expenditure funded from Capital under Statute (REFCUS)

Represents expenditure that may properly be capitalised under statutory provisions, but which creates no tangible asset for the Council e.g., house renovation grants to private individuals or revenue expenditure which would normally be charged to the revenue account, but which can be charged to capital following approval by the Welsh Government.

Revenue Support Grant

General government grant in support of local Authority services. It seeks to even out the effects on the council taxpayer of differences in needs between Authorities.

Settlement (Pensions)

An irrevocable action that relieves the employer of the primary responsibility for a pension obligation and eliminates significant risks relating to the obligation and the assets used to effect the settlement.

Surplus Assets

Assets that are not being used to deliver services, but which do not meet the criteria to be classified as either Investment Properties or Assets Held for Sale.

Supported Borrowing –

Costs of servicing are included within the annual Revenue Support Grant the Council receives from Welsh Government

Term Deposits

A term deposit is a money deposit at a banking institution that cannot be withdrawn for a certain "term" or period of time.

Treasury Management

The process by which the Council controls its cash flow and its borrowing and lending activities.

Trust Funds

Funds held in trust which are administered by the Council.

Unsupported Borrowing

Costs of servicing to be met from Council tax, rent, savings, incidental income or sale of assets.

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Cardiff Council

Annual Governance

Statement 2022/23

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Scope of Responsibility

1. Cardiff 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, having regard to a combination of economy, efficiency, and effectiveness. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, including arrangements for the management of risk.
2. The Council is responsible for the Cardiff Harbour Authority. The Council is also the Administering Authority for the Cardiff and Vale of Glamorgan Pension Fund (the Pension Fund) and Cardiff Port Health Authority (CPHA) and is the Accountable Body for the Cardiff Capital Region (CCR) City Deal. Cardiff Council has five wholly owned subsidiary companies of which three actively traded in 2022/23, most significantly Cardiff City Transport Services Ltd. (Cardiff Bus). The Council also has an interest in a special purpose vehicle (CSC Foundry Limited) which is governed by a Joint Committee for the CCR City Deal.
3. The governance arrangements detailed in this Annual Governance Statement (AGS) are documented in consideration of the Council's areas of responsibility, and the extent to which the Council is charged with governance.
4. The Council has adopted the 'Delivering Good Governance in Local Government' framework (the Governance Framework), developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE). This AGS explains how the Council has complied with the Governance Framework and meets the requirements of the Accounts and Audit (Wales) Regulations 2014, as amended by the Accounts and Audit (Wales) (Amendment) Regulations 2018.

The Purpose of the Governance Framework

5. The Governance Framework comprises the systems, processes, culture, and values by which the Council is directed and controlled, and the means through which it accounts to, engages with, and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services. The Council's Constitution sets out how decisions are made and the procedures which are followed through rules, codes of practice and protocols.
6. The system of internal control is a significant part of the Framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives but is based on an ongoing process to identify, prioritise, and appropriately manage risk.

7. The Code of Corporate Governance documents how we apply the principles of good governance (as summarised in Section 4 of the AGS – Assessment Process and Summary). This Code can be found within the Council Constitution (Part 5) and was last ratified in July 2023.

The Governance Framework

8. The Framework comprises two core principles and five supporting principles. Principles A and B run through principles C to G, but good governance is dynamic, and the Council is committed to improving governance on a continuing basis through a process of evaluation and review.

Core principles:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B. Ensuring openness and comprehensive stakeholder engagement

Supporting principles:

- C. Defining outcomes in terms of sustainable economic, social, and environmental benefits
- D. Determining the interventions necessary to optimise the achievement of the intended outcomes
- E. Developing the entity's capacity, including the capability of its leadership and the individuals within it
- F. Managing risks and performance through robust internal control and strong public financial management
- G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

Assessment Process and Summary

9. The AGS summarises the assessment of governance against the Governance Framework and comprises three elements:
 - Statements from Senior Management, the Audit Manager and the Governance and Audit Committee (the 'Audit Committee' was renamed 'Governance and Audit Committee' following the financial year-end in accordance with the provisions of the Local Government and Elections (Wales) Act 2021. Its opinion was provided following the financial year-end)
 - Supporting analysis mapped to the core and supporting good governance principles that provides a judgement that is based on supporting information and evidence
 - A Senior Management judgement of the Council's significant governance issues

10. These three elements when taken together represent the assessment of governance, through the perspectives of the Senior Management Team (SMT) and the independent opinions of the Internal Audit Manager and the Governance and Audit Committee based on their respective programmes of work and an assessment of the system of internal control.
11. For further information and detail, supporting information is mapped to the Governance Framework principles (A-G) within the AGS, and followed by an open disclosure from the SMT of the significant governance issues affecting the organisation as summary actions to take forward and address.

The diagram in fig. 1 sets out the components of this assessment.

Fig.1



Assurance Statements

12. The following statements are made at the year-end, having given consideration to the performance information, governance disclosures and audit and regulatory report findings from assessors both internal and external to the Council.

Senior Management Statement

13. The set of senior management assurance statements are used as a core measurement of assurance on good governance within each Directorate and for the Council overall.

14. As a Senior Management Team, we have undertaken a review of the self-assessment exercise to maintain assurance that the areas of consideration remain the right areas upon which to judge the organisation and to address the identified actions arising from last year's AGS relating to compliance, risk, performance reviews and Five ways of working. This review identified that there was a need to change the focus of some statements to effectively capture the emphasis of partnership working and engagement and equalities within the assurance process. Over the year, the nine broad categories for consideration are: Risk; Partnership Working; Engagement and Equalities; Compliance; Project initiation; Budget; Planning & Performance; Control and Fraud.
15. We continue to apply the self-assessment exercise as a primary means of measuring our delivery of good governance and this has been supplemented this year by each Directorate having an action plan which identifies the key areas of improvement. There continue to be challenge sessions chaired by the Chief Executive through which consideration is given to the current assurance position for each Directorate.
16. Our good governance assessment exercise has been undertaken during a period of economic uncertainty and significant spikes in both demand for our services, not least in Social Care and Education, and inflationary increases in both pay and in particular the energy, food and building sectors. We, as a Senior Management Team, continue to ensure that the self-assessment exercise reflects the current reality of service delivery so that any matters or improvement actions are captured.
17. The Senior Management Team has continued to meet on average on a twice weekly basis. There were times during 2022/23 that the Senior Management Team met more regularly to ensure that there was a swift, corporate, appropriate, and measured response to any pressing issues. The focus of these meetings throughout the year has been to ensure that resources are used appropriately, outcomes delivered, and controls remain in place or are amended to reflect the environment of the time.
18. The Senior Management Team has engaged with the self-assessment assurance process for 2022/23. The Senior Management Team took the opportunity to review the 2022/23 half yearly and end of year position and considered the body of work delivered over the last six months in the context of the uncertain economic environment.
19. The Senior Management Team considers that the 2022/23 end of year Senior Management Assurance Statement offers a true and fair reflection of the governance maturity of the Council for the year overall. This end of year assessment was based on the governance maturity which we could evidence within each Directorate against the half year position, the performance against individual Directorate action plans and identifying any change in position.
20. Accordingly, the Senior Management Team considers that despite the challenging external environment the Council is approaching strong application of good governance across the assurance areas, with examples of embedded and limited in some assurance areas in some Directorates. This assessment

was based on a self-assessment using a 5-point rating system ranging from 'not in place', 'limited application', 'mixed application', 'strong application' to 'embedded'.

21. This assessment has highlighted opportunities to further build on the three SMT Actions set out in last year's Annual Governance Statement. We recognise improvements have been made in the areas of performance, compliance, and the way we work but believe further improvement can be made. We continue to survey the assurance landscape and look for any weaknesses that need to be addressed through robust recovery procedures as well as looking to improve areas of strength. The Senior Management Team recognises that it is faced with a period of prolonged uncertainty both in terms of service recovery and responding to increased and different levels of demand across the spectrum of services offered. To support these aims it remains a priority to both implement actions for improvement and to retain a focus on needing to prioritise actions for enhancement to enable strong evidence of application across all areas going forward.
22. In relation to the work of the Senior Management Team in 2022/23 we continued to collectively own the Corporate Risk Register, we reviewed all corporate risks quarterly, and monitored progress against the action plan of significant governance issues.
23. The Chief Executive continues to emphasise that areas of weakness need to be addressed. As noted, the last couple of years have presented great challenge and uncertainty and this will continue for the forthcoming period, thus underlying the importance of maintaining the achievement of consistent standards of governance and control across all directorates.

Audit Manager Statement and Annual Opinion 2022/23 (PSIAS Standard 2450)

24. The Public Sector Internal Audit Standards (PSIAS) state that the 'Chief Audit Executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.' This must be based upon an objective assessment of the framework of governance, risk management and control. It must also include an evaluation of the adequacy and effectiveness of controls in responding to risks within the governance, operations, and information systems.
25. This opinion has been prepared by the Audit Manager (Chief Audit Executive for the purpose of the PSIAS), based on the provisions of the PSIAS. In preparing and forming this opinion, a number of sources of information, assurance and insight have been taken into account, including:
26. **Assurance Audit Engagements** – The risk-based annual audit plan has been delivered through an approach to maximise assurance and added value. The audit plan is responsive to risk and informed by audit information and existing assurances, information from Senior Management, monitoring of Council activity, strategy, risks, and wider

assurance sources. For all audits, current risks, pressures, and priorities continue to inform the audit scope and testing.

27. **Consultancy Audit Engagements** - The Internal Audit Team provides insight and guidance on areas of control during process development / change. It has continued to provide advice and guidance on the design and implementation of effective controls in the administration of Welsh and Central Government grant schemes such as the Homes for Ukraine Scheme, to achieve compliance and control, and arrangements for the effective prevention and detection of fraud.
28. **Discussion with Senior Managers** – There have been quarterly relationship manager meetings with Directors or their representatives, Audit Manager attendance at Senior Management Team meetings where assurance items have been considered, and regular meetings with the Chief Executive and Corporate Director Resources (Section 151 Officer).
29. **Risk & Governance Reviews** – Risk Registers and Senior Management Assurance Statements which underpin the Council's Annual Governance Statement are subject to regular audit review, and assurance audit engagements.
30. Based on the programme of audit work undertaken to assess the framework and application of governance, risk management and control, the annual opinion for 2022/23 is **effective with opportunity for improvement**. This opinion is based on the delivery of a sufficient Audit Plan, and with an acknowledgment of the significant pressure on Council resources in both demand and budgets, which has been managed through a resilient performance culture.
31. The audit opinion comprises assessments of governance, risk management and control, and includes an evaluation of the adequacy and effectiveness of controls in responding to risks within the governance, operations, and information systems.
32. Reviews have been completed in all planned fundamental system areas.
33. In accordance with an approach communicated to the Governance and Audit Committee, the majority of corporate governance audit engagements were completed during the year, supported by a spread of Directorate-level assurance audit engagements.
34. Corporate risk management arrangements have been maintained during the year, and a review of Directorate risk management has been completed and has reported that there is an appropriate level of risk management maturity in operation at directorate levels.
35. The Council has continued to administer emergency relief, grant payments and support services on behalf of the Welsh and Central Government, and the Internal Audit and Investigation Teams have advised management on the design of systems and counter-fraud checks

in accordance with scheme requirements.

36. The control environment for core financial systems was sufficient, and the majority of audits overall (87%) were allocated an opinion of 'effective' or 'effective with opportunity for improvement'. Eight audits have been given an audit opinion of 'insufficient with major improvement needed' recognising the need for attention to achieve sound controls, and one audit (in respect of the Central Transport Service) was given an 'unsatisfactory' opinion.
37. Audit assurance and support continues to target and follow up on high-risk areas. Focus is being given to finalising audits on a timely basis with audit clients and to the importance of the implementation of audit recommendations within the required timescales.

Governance and Audit Committee Statement

38. Based on the evidence presented to the Governance and Audit Committee during 2022/23, it is the considered view of the Governance and Audit Committee that the Council does have, for the most part, sound internal controls and governance arrangements in place. Strategic risks representing the true challenges facing the Council are captured and reviewed on a regular basis. Examples of where the Committee continues to have concerns, which will be incorporated into the Committee's Work Programme for 2023/24, include:

Budget Management

39. The Committee recognises the sustained financial pressure that the Council is under and notes that whilst the overall financial position was balanced, some particular Directorates had significant overspends for which control improvements are needed, and management attention and actions are required in Directorates to achieve budget savings proposals put forward. Sound budget management is essential in the context of a challenging economic environment, continued constrained finances and an ever-increasing demand for services.
40. The financial challenge continues to be significant, with a budget gap of £113.4 million reported based on current financial modelling over the next four years. The Committee is keen to observe effective arrangements for budget management and control during 2023/24. The Committee will carefully consider budget management arrangements over the year to come, through observing the use of appropriate management controls and interventions and continuing to reinforce expectations for delivery.

41. Internal Control

42. Assurance on compliance and control is essential. For a number of years there have been continued constraints on resources, together with a growing population and greater demand for public services. As the Council faces significant challenges in how it delivers services, it remains essential that internal controls are not neglected or impaired, and that strong controls operate throughout reformed processes and systems. Additionally, the pandemic has necessitated the adaptation of systems, and in some cases the design of new systems, in order to respond to new priorities. We have been advised of the consultation, advice and guidance provided by the Internal Audit and Investigation Teams to support management to design and uphold robust controls as they have navigated new priorities and responsibilities.
43. The Committee has invited senior officers to attend its meetings this year, to account for their delivery of good governance, risk management and control. In addition, the Committee has continued to receive the details of all Internal Audits completed, and the respective assurance ratings. This year we have observed isolated internal control gaps through reports of insufficient assurance, and one unsatisfactory audit opinion. Whilst the number of unsatisfactory Internal Audit opinions remains low, management must maintain sound systems of internal control and promptly address identified weaknesses.
44. We have maintained close interest in the robustness of controls in relation to the Waste Management function. In recent years, alongside a police referral and investigation, a wide-scale internal investigation into allegations of fraud was completed and disciplinary proceedings have concluded. Through discussions with the Director and the Audit Manager we are advised that there has been steady and sustained progress in recent years in the internal control environment, led by the senior management in place. Our Committee has been advised that there are mechanisms for delivering and acting on improvement actions, and that there is a constructive two-way relationship with Internal Audit, in the planning of, and response to, assurance work. We recognise the progress made for which continued management attention and assurance are required.
45. The Committee has access to all Internal Audit recommendations raised and agreed, and visibility of updated management comments until the point of implementation. Whilst the Committee has an overall assurance of internal control, we continue to require officers to account for services or functions where internal control weaknesses have been identified. We continue to challenge any impairment in stewardship and control of public funds and assets, seeking prompt and proportionate management actions. The Committee has considered and approved the Internal Audit Plan for 2023/24 and will closely monitor its progress and findings over the year ahead.

Financial Resilience (including Treasury Management)

46. In a position of constrained finances, the Committee will continue its consideration of the framework for financial decisions. The Committee has received regular updates on financial resilience and in recent years has welcomed the independent assurance of the Council Treasury Management activities by the Council's Treasury Management advisors, further to the regular assurance provided by Internal Audit.
47. The Governance and Audit Committee will continue to look to gain assurance of sound treasury management practices and strategy. This is vital work, which will both safeguard and deliver best value from the Council's borrowing and investments. The Committee has and will continue to seek assurance that the levels and profiles of investments and borrowing are appropriate and in line with the Treasury Management Practices, Strategy and Reports presented.

48. Schools Governance & Compliance

49. The Committee has sought regular reports from senior management in the Education and Lifelong Learning Directorate seeking ongoing assurance on the arrangements to manage school balances, and to address audit recommendations. Our Committee has raised concerns over delays in implementing school audit recommendations, and the Director of Education and Lifelong Learning has committed to providing a full analysis of outstanding audit recommendations by the end of this academic year.
50. Our Committee has noted positive improvements made, as recognised by Estyn, and we will continue to keep a keen interest in the governance arrangements and assurance we receive in respect of schools. This is with the understanding that the Governance and Audit Committee can request the attendance of those solely responsible for governance at an individual school level, to a Committee meeting, in the event that assurances are not considered as sufficient.
51. The Committee acknowledges that the Council is not able to set rules for schools to adhere to regarding contracting matters, albeit advice can be offered on good practice. This area of interest remains a priority of the Committee and we continue to support the production and use of best practice guidance in schools to strengthen financial stewardship and control.

ii) Governance Framework - Supporting Information

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

52. All Members and Officers in the Council are required to comply fully with Codes of Conduct as set out in the Constitution, which sets out the particular roles and

responsibilities of Officers and Members and provides clarity on the interfaces between these roles. These include:

- Functions and subsections delegated to Officers
 - Members' Code of Conduct (Including Social Media Principles)
 - Employees' Code of Conduct
 - Protocol on Member / Officer Relations
 - Cardiff Undertaking – signed by all Members upon election and underlines their duties to the city and its citizens.
53. The Director of Governance and Legal Services is the Monitoring Officer and has the specific duty to ensure that the Council, its Officers, and its Elected Councillors, maintain the highest standards of conduct in all they do based on Section 5 of the Local Government and Housing Act 1989, as amended by Schedule 5 paragraph 24 of the Local Government Act 2000. During 2023/24 the Director of Governance and Legal Services tendered their resignation and left the Council on 27 October 2023. As agreed at Council on 26 October 2023, interim arrangements were put in place for both the Council and the Cardiff Capital City Region in advance of anticipated conclusion of permanent appointments being made in the forthcoming months.
54. The Standards and Ethics Committee has a responsibility to monitor and scrutinise the ethical standards of the Authority, its Members, employees and any associated providers of the Authority's services, and to report to the Council on any matters of concern. The Committee is chaired by an independent person and its role includes determining the outcome of complaints against Councillors and Co-opted Members and monitoring the Council's whistleblowing procedures.
55. In 2022/23, the Monitoring Officer was notified of a total of seven complaints relating to Member conduct. The Public Services Ombudsman has considered six of the complaints and determined that there was no evidence of a breach of conduct and declined to investigate. The remaining complaint was informally resolved.
56. The Chair of the Standards and Ethics Committee the outgoing Chair presented the Committee's Annual Report 2022/23 on 30 October 2023 and outlined the work of the Committee. The report identified actions in respect to considering the Members Exit Survey of 2022, review of the Cardiff Undertaking, consideration of the use of Council IT for Political group meetings, continuing to observe Council and Committee proceedings and overseeing training on the Members' Code of Conduct following the local government elections in May 2022. In addition, the Committee has reviewed Personal interests for both Members and Senior Officers and issued periodic updates of the Committee's work to Council Members. The Annual report also noted that the planned review of the Whistleblowing Policy for 2022/23 was delayed and was to be rescheduled for the year 2023/24. The Committee believes that presentation of its Annual Report to Council serves to promote Members' understanding of the

important role of the Committee and its work; and that further Member briefings will continue to be issued as and when required.

57. Members and Co-opted Members are required to register their personal interests in any business of the authority, and to comply with the rules on personal interests set out in the Members' Code of Conduct. Significant work has been undertaken this year to ensure that Members complete all relevant forms. All personal interests disclosed by Members are published on the Council's website within the Member's profile information. The Council's Policy on Officers' Personal Interests & Secondary Employment requires all staff to disclose any personal interest which actually or potentially conflicts with their duties to the Council and all secondary employment. The policy sets out how all Council employees are obliged, under the Employees' Code of Conduct, to ensure that their private interests do not conflict with their public duties, and to comply with the Council's rules on the registration and declaration of financial and non-financial interests.
58. The Council's Corporate Values focus on fairness, openness and working together. The Council supports a culture of behaviour based on these values which guide how the long-term vision of the Council is put into effect, as well as how Members and Officers deliver their day-to-day roles. Corporate and Directorate planning and personal performance and development arrangements are aligned to delivering corporate values and priorities.
59. The Workforce Strategy and Employee Charter continues to ensure that there is alignment between the Council's vision and values and the Corporate Plan:
 - The Employee Charter sets out the expectations of all staff (employees, managers, and senior managers) and has formed part of the objective setting process for personal reviews
 - The Workforce Strategy seeks to deliver outcomes for and with employees, within a culture that supports a flexible, skilled, engaged, and diverse workforce
60. The Council takes fraud, corruption, and maladministration very seriously, supported by the following strategy and policies to prevent and manage such occurrences:
 - Counter-Fraud and Corruption Strategy
 - Financial Procedure Rules
 - Contract Standing Order and Procurement Rules
 - Whistleblowing Policy
 - Fraud, Bribery and Corruption Policy
 - Anti-Money Laundering Policy
 - ICT Security Policy
 - Data Protection Policy & Procedure
 - HR policies regarding investigation and discipline of staff

61. The Counter-Fraud and Corruption Strategy has been in place since July 2019 with over 6800 staff and school governors having undertaken the course or attended face-to-face training / workshops. The Counter-Fraud and Corruption Strategy is scheduled to be updated in 2023/24 with refreshed training material to support its launch. The Council continues to be supported by a range of policies, procedures and regulations which are reviewed for appropriateness, including those relating to Financial Control, Data Protection, Health & Safety, Equalities, and IT Security.
62. The Council has a Whistleblowing Policy in place through which staff and contractors are encouraged to speak out on misconduct or illegal behaviour within the organisation, which affects the public or other people (making a disclosure in the public interest). In 2022/23 a total of seven whistleblowing cases have been reported to the Monitoring Officer.
63. The Corporate Director Resources has both overall responsibility for the financial administration (S151 Officer) and the information governance arrangements of the Council (SIRO). The Council's financial management arrangements conform to the governance requirements of the Role of the Chief Financial Officer in Local Government which is set out in the CIPFA Financial Management Code (2020).
64. The Council continues to consider its financial management against the CIPFA Financial Management Code (the Code). The focus of the Code is to improve the financial resilience of organisations by embedding enhanced standards of financial management. Inevitably, the impact of wider geopolitical and economic factors continued to test that financial resilience in 2022/23. The Code is intended to support good practice in financial management and assist Local Authorities in demonstrating their financial sustainability. The Code translates principles of good financial management into a series of standards against which Local Authorities should measure themselves.
65. Building on the Assessment undertaken in 2021/22, a further self-assessment against the FM code was undertaken in 2022/23 by senior accountancy officers and the results presented to the Section 151 Officer to identify opportunities for improvement. Considering the significant financial uncertainty facing the Council, the Section 151 Officer agreed that the self-assessment continued to focus on the three previously identified areas for the forthcoming period months. Firstly, recognising the increasing volatility and uncertainty of financial challenges to further build on the work undertaken in increasing the range of suitable sensitivity analysis when determining the Medium-Term Financial Plan. Secondly, the financial resilience of the Council will be enhanced by building on the work undertaken to ensure strong links between business cases and plans to spend. The third recommendation was to maintain focus on service area budget spend with the need to find increased level of budget savings to be delivered but the heightened need to identify any financial issues quickly to have time to put remedial action in place. In addition, the work undertaken in 2022/23 on income culminated in the Income Generation Framework being produced as part of the Council's 2024/25 Budget Strategy.

66. The requirements of the Code and the need for evidence has been a major consideration in the development of the Council's key financial strategies such as the Medium-Term Financial Plan, Capital Strategy, and the Treasury Management Strategy.

B. Ensuring openness and comprehensive stakeholder engagement.

67. Through its Corporate Values, the Council outlines a commitment to being "open and honest about the difficult choices we face and allowing people to have their say on what's important to them and their communities." Consultation, engagement, and joint working with citizens are central to delivering this value and are outlined as follows.

68. Meetings have remained open to the public to attend except where confidential or exempt information is being discussed, as defined by the law. Full Council meetings continued to include a facility for public questions, and the Council's Scrutiny Committees have invited stakeholder contributions to their scrutiny programme, both through research and consultation exercises and through direct access to Committees.

69. As a result of the coronavirus pandemic, temporary legislation required all Council meetings to be made publicly available which was achieved by either by live streaming meetings or recording them to be subsequently uploaded to the web due to the public being unable to attend meetings in person. The implementation of the Local Government and Election (Wales) Act 2021 superseded this legislation and required principal councils to develop and implement a Multi-Location Meetings policy. The Council approved its Multi-location Meetings policy in March 2022 for implementation following the Local Government Elections on 5 May 2022.

70. The policy exceeded the legislative requirement to broadcast Council meetings and identified additional committee meetings of public interest or those with a governance role to be webcast. These meetings included Council, Cabinet, Planning Committee, Governance and Audit Committee, Standards and Ethics Committee and Scrutiny Committees with other meetings being recorded and kept for reference.

71. The following table highlights the activity of webcasting through the last five years. Although the number of meetings webcast has reduced, the average number of live views for a meeting has doubled from 25 in 2021/22 to 55 in 2022/23. There has been a 70% increase in archive views for a meeting from 88 in 2021/22 to 151 in 2022/23. In total, all views for a meeting have increased by almost 82% from 113 in 2021/22 to 206 in 2022/23.

72.

Webcasting Data				
Year	2019/20	2020/21	2021/22	2022/23
Number of Meetings webcast	54	105	155	88
Number of Committees (Types) webcast	10	21	19	14
Total Hours Webcast	126:50:24	202:36:54	269:39:22	177:55:44
Live views	1960	4594	3965	4871
Archive Views	6909	10963	13644	13287
Total Views	8869	15557	17609	18158

73. There has been open debate and challenge on performance and risk management with quarterly reporting and review in SMT and further challenge and oversight in Cabinet, Scrutiny and Governance & Audit Committee meetings. An assurance role continues within the SMT environment where the Chief Executive and Directors discuss aspects of assurance, for example safeguarding, procurement compliance, performance management, outcomes and progress on audit recommendations made by internal and external auditors, bodies, and regulators. This continues to highlight the connections between these assurance pieces and create a more joined up version of the assurance picture. The meetings between the Chief Executive, Directors, and Cabinet Members to agree actions arising from an open debate of performance and service delivery challenges have continued for 2022/23.
74. The public and other stakeholders are given the opportunity to tell the Council what they think about the services provided through the Council's Comments, Complaints and Compliments Policy. It reflects guidance given in the Welsh Government Model Policy and Guidance Paper for Handling Complaints, as well as guidance received from the Public Service Ombudsman for Wales and places a greater emphasis on a prompt resolution of complaints. Cabinet is informed annually of the number of complaints received.
75. Citizens, communities, and partners continue to be engaged through a programme of citizen engagement, budget consultation, Ask Cardiff surveys that seek opinions of a range of Quality of Life and Quality of Services statements. The output of these is used to inform proposals and decisions of priorities and planning for the provision of services. The participation levels for these engagement sessions continue to leave room for improvement particularly in respect to building up participation numbers.
76. Regular meetings are held with institutional stakeholders to whom the Council is accountable, which include the Welsh Government and the Council's External Auditors (Audit Wales). Efforts have also been made to foster open and effective relationships between the County Council and the six Community

Councils in Cardiff through a Community Councils Charter (“the Charter”). It reflects the model Charter issued by the Welsh Government in the Local Government (Wales) Measure 2011 and is based on equality of partnership between the two tiers of local government.

77. The Cardiff Public Services Board (PSB) represents a statutory partnership of public and voluntary sector organisations, chaired by the Leader of the Council to deliver the city’s Well-being Plan. The Well-being Plan, which responds to the evidence from the Well-being Assessment, focusses on the areas of public service delivery which fundamentally require partnership working between public and community services, and the citizens of Cardiff. The Well-being Assessment agreed by the PSB in March 2022 and the draft Well-being Plan was considered in October 2022 prior to public consultation. Cardiff PSB is supported by partnership governance and delivery arrangements, reporting by exception into the PSB on a quarterly basis. Over the course of the pandemic, the Cardiff PSB met on a more regular basis to lead a co-ordinated strategic response to critical issues across the city’s public services. The Cardiff Local Wellbeing plan was considered by the Cardiff PSB in April 2023.
78. The PSB delivered a review of its partnership governance in February 2023 and concluded that there was a need to build on the partnership approach that arose during the pandemic, characterised by day-to-day strategic and operational working across organisational boundaries, of sharing assets in support of shared goals and of moving quickly in a rapidly changing environment, enabled by technology and supported by data.

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits.

79. Following the local government elections on 5 May 2022, a new Council administration was formed. To make clear its ambitions for the city, the administration set out a new policy programme and associated delivery commitments for the coming municipal term, entitled ‘Stronger, Fairer, Greener.’ This was agreed by Cabinet at its meeting of 14 July 2022, and set out the Council’s policy agenda and programme for delivery for the next five years, based on the following commitments to make Cardiff:
 - **A stronger city**, with an economy creating and sustaining well-paid jobs, with an education system that helps our young people reach their potential, with good, affordable housing in safe, confident, and empowered communities, all supported by well-resourced, efficient public services.
 - **A fairer city**, where the opportunities of living in Cardiff can be enjoyed by everyone, whatever their background, where those suffering the effects of poverty are protected and supported, where a fair day’s work receives a fair day’s pay, and where every citizen is valued and feels valued.
 - **A greener city** which, through our One Planet programme, takes a lead on responding to the climate emergency, which celebrates and nurtures biodiversity, with high-quality open spaces within easy reach for rest and

play that are connected by convenient, accessible, safe sustainable transport options.

80. Where 'Stronger, Fairer, Greener' provided a clear articulation of the administration's policy priorities, the Council's policy framework translated these into organisational objectives with associated delivery milestones, key performance indicators and the necessary resources to ensure progress.
81. The Corporate Plan, therefore, plays a key role in translating the administration's policy ambitions into clear organisational objectives. In this way, the Corporate Plan sets out what the Council wants to achieve, and how it will organise itself to achieve it. In accordance with the requirements of the Well-being of Future Generations (Wales) Act 2015, the Corporate Plan is framed by Well-being Objectives, Steps and performance measures. The Corporate Plan is set at a strategic level and is supported by directorate delivery plans, which set out in greater detail how Corporate Plan objectives will be delivered, as well as how directorate business will be taken forward.
82. The Council has responded to performance requirements arising from the Local Government and Elections Act (Wales) 2022 which are set out in the Annual Governance Statement of 2021/22.
83. The development of the Annual Well-being Report, in effect the Council's self-assessment of performance, involves the political and managerial leadership of the Council, with enhanced roles for both Scrutiny and the Governance & Audit Committee. This will include:
 - Directorate self-evaluation of service performance, governance & financial challenges, and priorities.
 - Performance and budget assurance sessions with each Director that are convened by the Chief Executive and Section 151 Officer to consider findings of directorate self-assessment.
 - Progress and performance session with Cabinet and the Council's Senior Management Team;
 - The Performance Panel, convened by the Chair of the Policy Review and Performance (PRAP) Scrutiny Committee, and involving the Chairs of each of the Council's Scrutiny Committees
 - Consideration by both the PRAP Scrutiny Committee and the Governance & Audit Committee
 - Consideration of the End-of-Year Assessment (the Annual Well-being Report) by Council.
84. A Mid-Year Self-Assessment was considered by Cabinet on 19 January 2023, following engagement with the PRAP Scrutiny Committee. The report set out challenges in six areas; The pressures on the organisation in respect to workforce, financial resilience, Housing, Children's Services, within Health and Social Care (thus requiring a heightened partnership approach) and the continued need to respond to the pressures of the cost of living.

85. Thematic Challenge Sessions are convened by Well-being Objective each January/February. The challenge sessions are chaired by the Leader and Cabinet Member for Finance, Modernisation and Performance and involve the lead Cabinet portfolio holders, Chief Executive, and relevant Directors. The challenge sessions consider progress and challenges in relation to each of the Well-being Objectives within the Corporate Plan, and provide an opportunity to consider priorities, steps, Key Performance Indicators, and targets for the year ahead.
86. There is Engagement with the Performance Panel each January/February. The Performance Panel allows the Chairperson of each Scrutiny Committee, to:
- i. Consider the Mid-Year Assessment and make recommendations for improvement as well as strategic policy suggestions for consideration as part of Corporate Plan development
 - ii. Corporate Plan development: with a focus on the priorities, steps, Key Performance Indicators, and targets proposed for inclusion within the revised Corporate Plan.
87. The Corporate Plan is part of the Council's Policy Framework and this, as set out in the Constitution of the Council, ensures that the Corporate Plan is formally subject to consideration by all elected members. Engagement occurred throughout February 2023 with all Scrutiny Committees including PRAP Scrutiny Committee as part of pre-decision scrutiny of the Corporate Plan. Formal consideration by Cabinet and Council concluded on 9 March 2023.
88. The Corporate Plan is developed alongside the Council's Budget, thereby ensuring that the Council's resources are aligned behind the delivery of its policy priorities. The Corporate Plan and Budget are approved alongside one another by Council in February / March of each financial year. Both the Council Budget and Corporate Plan were approved on 9 March 2023.
89. The financial uncertainty over the last couple of years has led to delays in Budget Settlement from Welsh Government and this continued for both the budget setting process of 2023/24 and the forthcoming budget of 2024/25. The Council's 2023/24 budget proposals ran from 23 December 2022 to 29 January 2023, whilst the budget consultation for 2024/25 budget proposals was launched on 8 January 2024 with an end date of 4 February 2024. As outlined under principle B of this AGS, ensuring openness and comprehensive engagement, several mechanisms were used to ensure the consultation was as accessible as possible, but improvements are required in the number of engagements achieved. The consultation enabled members of the public to communicate their views on the budget proposals. It informed the final decisions on service changes, which focussed on delivering valued public services in the face of ongoing austerity.
90. Building on the approach to the Council's Budget Strategy over the last few years is key to planning for future years. The Council Budget report of 9 March 2023 identified for 2023/24 a budget gap of £113.4 million gap for the period

2024/25 to 2027/28. The outlook over the short term is particularly challenging but with signs that the medium to long term will become significantly harder. These pressures are due to the challenge of managing the increase in demand for services, rising cost pressures and recovering lost income levels in other areas such as cultural venues and school catering. Looking further forward, Cabinet considered a Budget Strategy refresh both on 13 July 2023 and 8 January 2024, both of which outlined the unabated financial pressure on the Medium Term.

91. Delivering the ‘Stronger, Fairer, Greener’ policy agenda will also require coordinated action by the Council and its partners. The Cardiff PSB, chaired by the Leader of the Council, brings together the city’s public and third sector leaders, and builds on the long-established platform of partnership working in the city. The Well-being of Future Generations Act has placed in statute the role of PSBs and requires PSBs to publish an assessment of local well-being, a local well-being plan and annual progress reports.

D. Determining the interventions necessary to optimise the achievement of the intended outcomes.

92. As in previous years, it continues to be the case that all Cabinet and Council decisions taken by Members are supported by authored reports from Officers on the legal, HR, property and financial implications arising from the decision. These reports are also required to outline the economic, social, and environmental outcomes, member consultations, the key risks and alternative courses of action which are available.

93. To meet requirements of the Well-being of Future Generations (Wales) Act 2015, the Council has published well-being objectives and a well-being statement as part of the development of the Corporate Plan. The Corporate Plan does ensure ongoing consideration of the sustainable development principle with a focus placed on considering the 5 ways of working at the earliest stage of policy development. Policy development across the organisation is encouraged to consider:

- **Long term:** Defined as the trends that affect Cardiff both today and in the future.
- **Prevention:** Intervening earlier to prevent problems affecting citizens from occurring or worsening.
- **Involvement:** Engaging with citizens, particularly the most vulnerable in society.
- **Integration:** Working across boundaries to deliver the administration’s policy agenda for the city.
- **Collaboration:** Working with others to have a greater impact.

94. The Council uses several sources of information to self-assess progress against Well-Being Objectives, including:

- **Progress against the Council’s Key Performance Measures** – Several performance measures are identified within the Council’s Corporate Plan which help show the progress made in delivering the Well-Being Objectives. Where applicable, targets are set against these performance measures to demonstrate the desired level of achievement. Performance measures are assigned a RAG status: GREEN where the measure is on or above target, AMBER where the result is within 10% of the target and RED where the result is greater than 10% from the target.
- **Progress against the Steps in each Well-being Objective** – The Council included a number of Steps in the Corporate Plan to help achieve the Well-Being Objectives. Monitoring the progress of these Steps provides an understanding of what has been achieved and where further work is required.
- **Inspection Reports** – The Council is subject to inspections from regulatory bodies including Audit Wales, Estyn (Education) and the Care and Social Services Inspectorate Wales (CSSIW). Their findings help the Council to assess areas of strong performance, as well as identifying areas that require improvement.
- **Surveys and Citizen Feedback** – The annual Ask Cardiff survey, as well as more specific consultation and engagement work, provide residents an opportunity to share their views on a wide range of the Council’s services.
- **Finance Monitoring** – The Council’s Outturn Report and Budget Monitoring Reports are considered by Cabinet and full Council throughout the financial year.
- **Feedback from Scrutiny Committee and the Governance and Audit Committee** – The Council responds to the issues raised and recommendations made by Committees, which help inform performance improvement.
- **Risk** – The Council’s Corporate and Directorate Risks are considered as part of a rounded view of performance.

95. By using this information, the Council monitors progress but also identifies areas of improvement, celebrates success, and identifies areas where performance may not have been as good, and therefore the areas that may require further attention.

96. The Council also has in place a robust performance and accountability regime which involves the wider political governance of the Council. In developing the self-assessment of performance, the following steps have been undertaken to ensure a full and balanced assessment:

- Directorate Analysis of Performance
- Assurance Sessions convened by the Chief Executive with each Director
- Assurance Sessions, convened by Cabinet, with the Chief Executive and the Council’s Senior Management Team

- Performance Panel Review, convened by the Chair of the PRAP Scrutiny Committee, and involving the Chair of each of the Council's Scrutiny Committees.
 - Consideration by the PRAP Scrutiny Committee
97. Communication to staff remained a key focus and to ensure staff were consulted and involved in decision making. Various channels of communication were used including the Chief Executive's Update, Core Brief, Staff Information messages, the Staff App, and DigiGov (the Council's HR system).
98. The engagement of citizens has continued to be an important means of identifying and designing services to meet the needs and expectations of service users and citizens in Cardiff in the context of budgetary constraints. Improvements have been identified and put in place to ensure that impact assessments are put in place to ensure that all groups are engaged when considering service change or budget proposals. To support project-based decision making, the Council continues to have in place a Business Case template using the Office of Government Commerce (OGC) "Five Case Model" but with a focus in ensuring that the process does not become overly bureaucratic and remains a value-added activity in delivering assurance on risks and opportunities. The Capital Programme development process requires a robust full Business Case to be allowed for consideration in the following year budget determination.
99. The Council's Budget Strategy is based on an incremental budgeting approach where budgets are informed to a greater extent by corporate priorities and the required future shape of the organisation. The themes for savings in the Budget Strategy for 2023/24 were categorised as Efficiencies, Service Change and Income Generation and were a reflection of the challenging financial climate with inflationary costs and demand pressures exceeding funding increase changes. The 2023/24 budget monitoring reports have detailed a reduction in performance compared to that of 2022/23 and this reflects the increasing degree of difficulty in savings proposals being made.
100. During 2022/23, there was consideration of the need to review governance and reporting in Council subsidiaries. During 2023/24 this work has progressed and looks to cover three broad areas in respect to subsidiaries through a high-level review of governance approach. A high-level comparison of identified best practice for subsidiaries and the shareholder will be undertaken and will set out some initial recommendations that the authority could consider, for existing and future subsidiaries, where there are identified gaps in governance and reporting.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it.

101. Decision making responsibilities and authority are clearly set out in the Council's Constitution. It documents the roles and relationships for decision

making, between the Full Council, the Cabinet, Scrutiny, and other Non-Executive Committees. It also details decisions delegated to senior officers through the different management tiers.

102. The Cabinet is the part of the Council which is responsible for most major decisions. The Cabinet is made up of the Leader elected by the Council, and up to nine other portfolio Cabinet members whom he/she nominates for approval by the Council. As of 2021/22 the legislation now provides for Cabinet Members to job share and that has been considered for 2022/23 with two portfolios being shared. The Cabinet must make decisions which are in line with the Council's overall policies and budget. If it wishes to make a decision which is outside the budget or policy framework, this must be referred to the Council to decide.
103. The senior management structure of the Council for 2022/23 did not change. The statutory responsibility for Social Services is delegated to the Corporate Director of People and Communities. The Statutory roles of the S151 Officer (Finance) and the Monitoring Officer continue to be discharged by the Corporate Director (Resources) and the Director of Governance and Legal Services, respectively. During 2023/24, the Chief Executive was absent for the period of June 2023 to October 2023 and the delegations of this role were split and provided to the Corporate Director of People and Communities and the Corporate Director of Resources.
104. The Council aims to ensure that Members and Officers have the skills, knowledge, and capacity to discharge their responsibilities effectively and recognises the importance of well trained, competent people. For the intake of May 2022, all 79 Members were invited to attend an induction programme to introduce them to or refresh them on the Council and its values, objectives, policies, and procedures. The Programme was a mix of online and face to face modules which was evaluated by those who attended to provide insight into future needs or preferred delivery of training. The attendance figures were significantly higher for new members with the overall participation rate being 97.47% for the five mandatory training topics.
105. All new Officers undertake the appropriate level of induction which includes a suite of mandatory e-learning training modules. Each mandatory training module has its own target date for full compliance. The mandatory training modules for all staff cover Corporate Safeguarding, Cybersecurity, Data Protection, Fraud Awareness, Introduction to Welsh Language, Violence Against Women and Domestic Violence and Children's Rights. The performance against each modules reported and linked with individual personal reviews. Work was undertaken during 2022/23 to refresh some of these modules with new versions of Cyber Security, Fraud and Data Protection due to be issued in 2023/24. There are also training modules designated as mandatory for those staff who perform particular roles, and these modules include VAT Awareness, Payment Card Industry and Buying Responsibly.
106. The in-house Cardiff Manager Programme represents a commitment to increasing the learning and development of staff with line management

responsibilities. The programme continues to be offered more widely across the Officer body without the requirement to sit a formal ILM level 3 qualification.

107. Officer performance is primarily evaluated through the Council's Personal Review process, which provides a framework for employees and managers to discuss work performance and behaviour, as well as to identify learning and development needs. It enables employees to be clear about their roles, responsibilities and the behaviours expected of them whilst giving a clear understanding of how their job and efforts contribute to the Council's objectives. Member Personal Reviews are also in place to help them update their knowledge and learn new skills, where required, to be more effective in supporting their communities. The Cardiff Council Academy delivers a comprehensive suite of learning and development programmes and courses which can be accessed and delivered remotely.
108. The Council's Workforce Strategy has employee health and well-being as a priority. The Council continues to support the 'Time to Change' Pledge, has been recognised as a Level 2 Disability Confident Employer with the accreditation having been extended to October 2026, and continued to adhere to the Dying to Work Charter and the Corporate Health Standard Silver Award.
109. The Council approved and published the 2022/23 Annual Well-being Report in September 2023, in accordance with the requirements of the Well-being of Future Generations (Wales) Act. This provides a retrospective summary evaluation of performance for 2022/23 and building on the midterm assessment identified areas of focus moving forward as being: managing sustained increase in the complexity and scale of demand across Council services; responding to new risks and issues; workforce pressures now impacting on all council services; ensuring continued financial resilience.
110. The Council has determined that two independent Non-Executive Directors with proven skills in governance and transport services should be co-opted to the Board of Cardiff City Transport Services Ltd. (Cardiff Bus), one of the Council's wholly owned subsidiary companies. One appointment has been made following the Council meeting on 30 March 2023, with completion of the recruitment process to take place and be considered by Council in 2024.

F. Managing risks and performance through robust internal control and strong public financial management.

111. Risk management is an integral part of strategic decision making, forming a key element of business planning, budget proposals, budget strategy, and programme and project considerations. A Corporate Risk Register (CRR) is maintained and reviewed by SMT each quarter to ensure it includes key risks to the corporate vision, objectives, and priorities. A Corporate Risk Map has also been used throughout 2022/23 to provide a transparent representation of the status of corporate risks and to support a proportionate management response.

112. The Risk Management Strategy and Policy continued to be supported by a nominated Member Risk Champion, Senior Officer Risk Champion, and a network of Directorate Risk Champions. This process is designed to ensure clear ownership of risks which are identified, reviewed, and escalated systematically each financial quarter. There has been an increasing trend to highlight target dates for individual risk actions for each area of the CRR and this will look to be extended across all corporate risks in the next year.
113. The Council's five standing Scrutiny Committees are designed to support the Cabinet in providing accessible, efficient, and effective services for citizens. There were 40 Scrutiny Committee meetings held during the municipal year 2022/23.
114. Scrutiny Committees undertake pre-decision scrutiny, policy monitoring and review and launch in-depth inquiries to help the Cabinet develop and review policies and services. Most recommendations raised to Cabinet following Scrutiny Inquiries are fully accepted. A number of the Council's collaborative activities are governed by Joint Committees which can be identified on the Council's website.
115. The Council has robust arrangements for internal control which are set out within the three assurance statements contained within this AGS from the Audit Manager, Governance and Audit Committee and Senior Management, respectively.
116. There continued to be formal engagement on Health and Safety between appointed Elected Members, Union Representatives, and relevant Council Officers. The Health and Safety Forum met four times during the year with the focus being on the consideration of accident and violence at work statistics and providing regular updates of the management of Health and Safety reporting and Statutory Obligations Contract management.

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

117. The Council continues to aim to ensure that all reports for the public and other stakeholders are written in a fair, balanced and understandable way. It remains the case that there is a need to achieve a balance between providing full and complete information to demonstrate clear transparency without being onerous or overly complex.
118. The Council also aims for information to be easy for the Council and the public to find and use. The Council has where practicable looked to publish information in advance rather than await Freedom of Information requests. The Council takes careful consideration of the model publication scheme set out by the Information Commissioner which sets out the classes of information that should be routinely available. The Council acknowledges that it has not fully conformed with the model publication scheme due to practical reasons such as capacity and ease of accessing information. However, the Information

Commissioner's Office has recently revised its model publication scheme and the Council is currently reviewing its position against the new expectations and will seek to improve the level of its adherence to the expectations set out in the document.

119. The AGS is an assessment of the governance of the Council applied to the 'Delivering Good Governance in Local Government' CIPFA / SOLACE framework, as outlined in the Assessment Process and Summary. SMT hold an action plan of significant governance issues, representing an open disclosure of the most prominent issues of governance which require attention following the Senior Management Assurance Statement review. Outstanding items from the AGS Action Plans for 2021/22 and 2022/23 are included in the following section.
120. In May 2021, the Council met to establish Committees: their size, terms of reference and allocation of seats. Most meetings have sought to encompass hybrid meeting technology which commenced in June 2022. The Council's Constitution is reviewed at least twice a year and sets out the terms of reference for each of its committees and the decisions that can be taken by each of those Committees. Council has appointed a number of Committees to discharge regulatory and scrutiny services and they deliver annual reports on their performance and findings.
121. Prior to services being delivered through third parties or via joint working arrangements, the Legal Services Team assist Directorates to ensure responsibilities and accountabilities for governance and risk management are adequately documented. The risk management strategy and policy require clear risk management arrangements in whichever model of service delivery is used.
122. Peer challenges, reviews, and inspections from regulatory bodies are welcomed by Cardiff Council to provide assurance over service delivery or identify opportunities for improvement.

2022/23 AGS Action Plan – Significant Governance Issues

123. An action plan of significant governance issues is owned by SMT and is formally reviewed and updated on a bi-annual basis. The review is supplemented by Challenge sessions for each Directorate chaired by the Chief Executive and accompanied by the Corporate Director of Resources. The three areas considered for 2022/23 were carried forward from 2021/22 and were considered to be the main areas of focus or governance improvement. The actions and progress to date are set out below.

ACTION: Extend and deepen the areas of SMT investigation in respect to compliance, risk, and outcomes. – CLOSED

The challenge of delivering services with increased demand and less available financial resources has highlighted the importance of compliance areas being reported and considered at Senior Management level. This action was proposed to be closed as it now forms part of the working model going forward. Regular reports on individual Directorates have been considered and discussed at SMT level on areas such as service delivery issues, safeguarding, risk, procurement, sickness absence, Performance Reviews and Internal Audit recommendations have been received during the year. Data has accompanied reports that enable SMT to identify areas of improvement and to ensure that progress where needed is achieved.

ACTION: Extend the assurance on the quality of performance reviews through evidence gathering at Directorate level. – Taking forward to 2023/24

SMT have regularly received reports on compliance on Performance Reviews. The Directorate delivery plans continue to be the source of personal and team objectives although it continues to be acknowledged that this is not the case at all levels due to the scope and scale of some Directorates. The quality of Performance Reviews remains an area where further improvements are required to ensure that this is fully embedded throughout individual Directorates.

ACTION - Embed into the Self-Assessment on Assurance the Five Ways of Working in respect to the Well-Being of Future Generations Act. – Taking forward to 2023/24

The Self-Assessment on assurance has been amended to include a specific set of questions which covered the Five Ways of Working in respect to the Well-being of Future Generations Act. The Directorates have assessed themselves against these objectives for the period of 2022/23 but there was a need to keep this action for 2023/24 to ensure sustainable improvement has been made across all Directorates.

Certification by the Leader of the Council and the Chief Executive

Councillor Huw Thomas, Leader of Cardiff Council

Date:

Paul Orders, Chief Executive
Date:

Audit of Accounts Report – The County Council of the City and County of Cardiff

Audit year: 2022-23

Date issued: March 2024

Document reference: 4104A2024

This document has been prepared as part of work performed in accordance with statutory functions.

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

Contents

We intend to issue an unqualified audit report on your Accounts. There are some issues to report to you prior to their approval.

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Audit of Accounts Report

Introduction

- 1 We summarise the main findings from our audit of your 2022-23 statement of accounts in this report.
- 2 We have already discussed these issues with the Corporate Director of Resources and Head of Finance.
- 3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.
- 4 We set this level at £15.1million for this year's audit.
- 5 There are some areas of the accounts that may be of more importance to the reader and we have set a lower materiality level for these, as follows:
 - Senior officer remuneration £1,000
 - Senior officer exit packages (correct banding)
 - Number of senior officers earning over £60,000 (correct banding)
 - Related party transactions (non-corporate only) £10,000
- 6 We have now substantially completed this year's audit.
- 7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Status of the audit

- 8 We received the draft statement of accounts for the year ended 31 March 2023 on 16 June 2023 which was in advance of the agreed deadline of 31 July 2023 and the more challenging Society of Welsh Treasurers deadline of 30 June 2023.
- 9 At the date of this report, our audit of the financial statements is substantially complete, subject to completion of the following:
 - audit of the cash-flow statements and associated notes;
 - checking all audit amendments agreed have been correctly reflected in the final draft;
 - director and manager review of audit files and clearance of any review points;
 - completing final checks on the signed financial statements after the Council has approved them; and
 - a review of events after the reporting period up to signing date.
- 10 A verbal update on the progress made on these areas since this report was submitted for papers will be provided at the Committee meeting.

11 We are reporting to you the more significant issues arising from the audit, which we believe you must consider prior to approval of the financial statements.

Proposed audit opinion

- 12 We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation based on that set out in **Appendix 1**.
- 13 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.
- 14 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.
- 15 Our proposed audit report is set out in **Appendix 2**.

Significant issues arising from the audit

Uncorrected misstatements

16 There are no misstatements identified in the accounts, which remain uncorrected.

Corrected misstatements

17 There were initially misstatements in the accounts, including material misstatements, that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations in **Appendix 3**.

Other significant issues arising from the audit

18 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There were some issues arising in these areas this year as shown in **Exhibit 2**

Exhibit 2 – significant issues arising from the audit

Property, Plant and Equipment – valuation of land, buildings & council dwellings	The Council's last valuation of its land, building and council dwelling was as at 1 April 2022. There was an audit risk raised in the Audit Plan that, due to inflationary	Recommendation: Management should ensure appropriate valuation work has been completed to provide sufficient assurance that the carrying value of
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	<p>pressures and changes in other market conditions, the carrying value of assets reflected in the accounts could be materially different to the current value of assets as at 31 March 2023.</p> <p>Subsequent to the submission of the draft accounts, Management commissioned its valuers to assess the current value of a representative sample of assets to determine if the carrying value as reported at 31 March 2023 was not materially different to the current value.</p> <p>This work concluded there were materially differences in the current value and carrying values of the depreciated replacement cost (DRC) assets and so amendments have been required.</p>	<p>assets as at year end is not materially different to the current value.</p> <p>Any valuation updates must be reasonable and in line with expectation and professional guidance.</p> <p>This work should be completed to inform the preparation of the draft annual statements and certified by the S151 officer, prior to submission for audit.</p>
<p>Property, Plant and Equipment – evidencing impairment and downward revaluations</p>	<p>It is the Council's accounting policy to annually assess assets for impairment and downward revaluation. Subsequent to the submission of the draft accounts and following audit enquiries, three key Council buildings were reviewed by valuers for impairment and downward revaluation. These buildings were St Davids Hall (RAAC), City Hall (works and closure), County Hall (Continued Under Occupancy). As a result, material amendments were required to the statements.</p>	<p>Recommendation: Asset impairment and downward revaluations reviews should be completed to inform the preparation of the draft annual statements and certified by the S151 officer, prior to submission for audit.</p>

Recommendations

- 19 The recommendations arising from our audit will be reported in an Addendum Report to be presented to the next Governance and Audit Committee.

Appendix 1

Final Letter of Representation

[Council's letterhead]

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

[Date]

Representations regarding the 2022-23 financial statements

This letter is provided in connection with your audit of the financial statements of the County Council of the City of Cardiff for the year ended 31 March 2023 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

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

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2022-23; in particular the financial statements give a true and fair view in accordance therewith;
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and

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

Financial statement representations

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

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

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

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

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework. All information available has been shared in respect to the purportedly under-declared landfill tax HMRC assessment received by the Council from 1 April 2015, for waste tipped at Lamby Way Landfill site.

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

Representations by the County Council of the City and County of Cardiff

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

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

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by Members of the County Council of the City and County of Cardiff on 28 March 2024.

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

Signed by:

Signed by:

Corporate Director Resources

Chair of the Council – signed on behalf
of those charged with governance

Date: 28 March 2024

Date: 28 March 2024

Appendix 2

Proposed Audit Report

The report of the Auditor General for Wales to the members of the County Council of the City and County of Cardiff

Opinion on financial statements

I have audited the financial statements of:

- the County Council of the City and County of Cardiff; and
- the County Council of the City and County of Cardiff Group

for the year ended 31 March 2023 under the Public Audit (Wales) Act 2004.

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

The County Council of the City and County of Cardiff's Group financial statements comprise the Group Movement in Reserves Statement, the Group Comprehensive Income and Expenditure Statement, the Group Balance Sheet, the Group Cash Flow Statement and the related notes, including the significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23.

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

- give a true and fair view of the financial position of the County Council of the City and County of Cardiff and the County Council of the City and County of Cardiff's Group as at 31 March 2023 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23.

Basis of opinion

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

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

Conclusions relating to going concern

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

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

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

Other Information

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

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

I have nothing to report in this regard.

Opinion on other matters

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

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23;
- The information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Council and the group and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

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

- I have not received all the information and explanations I require for my audit;

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

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

My procedures included the following:

- enquiring of management, the County Council of the City and County of Cardiff 's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the County Council of the City and County of Cardiff's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;

- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals;
- obtaining an understanding of County Council of the City and County of Cardiff's framework of authority as well as other legal and regulatory frameworks that Cardiff Council operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Cardiff Council; and
- obtaining an understanding of related party relationships.

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

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

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

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

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

Other auditor's responsibilities

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

Certificate of completion of audit

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

Adrian Crompton
Auditor General for Wales
[Date]

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

Appendix 3

Summary of Corrections Made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Exhibit 3: summary of corrections made

Value of correction	Nature of correction	Reason for correction
£29.51million £1.77million	<p>Group Balance Sheet</p> <p>The 'Capital Grants Receipts in Advance' figure of £29.51million should be a negative figure.</p> <p>The 'Deferred Tax Liability' figure of £nil should be £1.77million.</p>	To correct figures in the group Balance Sheet.
£32.15million	<p>Note 13 Property, Plant & Equipment</p> <p>Three properties had not been assessed for impairment or downward revaluations during the year to reflect significant changes in use. These properties were St Davids Hall (RAAC), City Hall (works and closure), County Hall (Continued Under Occupancy). As a result, there was a decrease in gross cost of other land & buildings of £32.15m.</p>	To correctly disclose impairments in line with the Code Guidance.
£28.73million	<p>Note 13 Property, Plant & Equipment</p> <p>Assets valued on a depreciated replacement cost basis had not been revalued in the year to reflect significant changes since the last valuation.</p>	To correctly disclose the value of depreciated replacement cost land and buildings in line with the Code requirements.

	<ul style="list-style-type: none"> • Increase in the gross cost of depreciated replacement cost land & buildings £10.45million; and • Decrease in the gross accumulated depreciation of depreciated replacement cost land & buildings £18.28million. 	
£13.18million	<p>Note 2.2 Expenditure & Income Analysed by Nature and Note 24 Grant Income</p> <p>Note 2.2 – Increase in ‘Grants and contributions’ of £13.18million and corresponding decrease in ‘Fees, charges & other service income’.</p> <p>Note 24 – increase in ‘Central Government Bodies’.</p>	This amendment corrects an error in the classification of grant income.
£6.97million	<p>Movement in Reserves Statement</p> <p>Increase of £6.97million in the ‘Increase/(Decrease) in 2021/22’ line for the ‘Total Usable Reserves’ column.</p> <p>Increase of £6.97million in the ‘Balance at 31 March 2022 carried forward’ line for the ‘Total Usable Reserves’ column.</p>	To correct the brought forward figures for Total Usable Reserves.
£2.00million	<p>Note 25.2 Earmarked Reserves</p> <p>Decrease of £2.00million in ‘Contributions From’ for the ‘Council Tax Reduction Scheme’ reserve line and corresponding increase in ‘Contributions From’ for the ‘Energy Market Volatility’ reserve line.</p>	This amendment corrects an error in the classification of contributions from reserves.

<p>£1.04million £0.58million</p>	<p>Note 14 Property, Plant & Equipment Decrease in depreciation of land & buildings of £1.04million and corresponding increase in depreciation of plant & equipment.</p> <p>Decrease in revaluations of land & buildings of £0.58million and a corresponding increase in revaluation of plant & equipment.</p>	<p>This amendment corrects an error in the classification of movements in property, plant & equipment.</p>
<p>£0.97million</p>	<p>Note 12 Leasing – Council as Lessor Increase in ‘Not later than one year’ of £0.01million, increase in ‘Later than one year and not later than five years’ of £0.03million and increase in ‘Later than five years’ of £0.93million.</p>	<p>To correct disclosure of minimum lease income.</p>
<p>£0.93million</p>	<p>Note 17 Short Term Debtors Decrease in ‘Central Government Bodies’ of £0.93million.</p>	<p>To correct the value of recoverable grant debtors.</p>
<p>Various</p>	<p>Note 10 Related Parties Various related party transactions and balances were omitted from the disclosure.</p>	<p>The amendments have been made to comply with the CIPFA Code and to provide clarification to the reader of the financial statements.</p>
<p>Various</p>	<p>Various Statements & Notes Various amendments have been made to reflect the Council’s share of the updated City Deal financial statements and the final audited Cardiff Bus financial statements.</p>	<p>The amendments have been made to update figures not previously available at the time of preparing the financial statements.</p>

Various	<p>Cashflow Statement Various entries in the statement were either misstated or misclassified.</p>	<p>The amendments have been made to correct classification issues and to comply with the CIPFA Code.</p>
Various	<p>Various Notes Various narrative and presentational amendments made.</p>	<p>To correct minor narrative and presentational errors and provide further clarity to the reader of the accounts.</p>



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

Audit of Accounts Report – Cardiff Harbour Authority

Audit year: 2022-23

Date issued: March 2024

Document reference: 4103A2024

This document has been prepared as part of work performed in accordance with statutory functions.

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

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

Contents

We intend to issue an unqualified audit report on your Accounts. There are some issues to report to you prior to their approval.

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Audit of Accounts Report

Introduction

- 1 We summarise the main findings from our audit of your 2022-23 statement of accounts in this report.
- 2 We have already discussed these issues with the Corporate Director of Resources and Head of Finance.
- 3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.
- 4 We set this level at £3.21million for this year's audit.
- 5 There are some areas of the accounts that may be of more importance to the reader and we have set a lower materiality level for these, as follows:
 - Related party transactions (non-corporate only) £10,000
- 6 We have now substantially completed this year's audit. In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Proposed audit opinion

- 7 We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation based on that set out in **Appendix 1**.
- 8 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.
- 9 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.
- 10 Our proposed audit report is set out in **Appendix 2**.

Significant issues arising from the audit

Uncorrected misstatements

11 There are no misstatements identified in the accounts, which remain uncorrected.

Corrected misstatements

12 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations in **Appendix 3**.

Other significant issues arising from the audit

13 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There were no issues arising in these areas this year.

Appendix 1

Final Letter of Representation

[Insert proposed Letter of Representation]

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

[Date]

Representations regarding the 2022-23 financial statements

This letter is provided in connection with your audit of the financial statements of Cardiff Harbour Authority for the year ended 31 March 2023 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

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

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and International Financial Reporting Standards (IFRSs); in particular the financial statements give a true and fair view in accordance therewith;
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

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

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

Financial statement representations

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

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

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

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

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

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

Representations by those charged with governance

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

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

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Council on 28 March 2024.

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

Signed by:

Corporate Director Resources

Date: 28 March 2024

Signed by:

Chair of the Council – signed on behalf
of those charged with governance

Date: 28 March 2024

Appendix 2

Proposed Audit Report

The report of the Auditor General for Wales to those charged with governance for Cardiff Harbour Authority

Opinion on financial statements

I have audited the financial statements of Cardiff Harbour Authority for the year ended 31 March 2023 under the Public Audit (Wales) Act 2004.

The Cardiff Harbour Authority's financial statements comprise the Comprehensive Income and Expenditure Statement, the Balance Sheet and related notes.

The financial reporting framework that has been applied in their preparation is applicable law and the International Financial Reporting Standards (IFRSs).

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

- give a true and fair view of the financial position of Cardiff Harbour Authority as at 31 March 2023 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and international accounting standards.

Basis of opinion

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

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

Conclusions relating to going concern

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

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

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

Other Information

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

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

I have nothing to report in this regard.

Opinion on other matters

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

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and related notes.

Matters on which I report by exception

In the light of the knowledge and understanding of Cardiff Harbour Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report.

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

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

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;

- assessing Cardiff Harbour Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by Cardiff Harbour Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

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

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

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

My procedures included the following:

- enquiring of management, and those charged with governance, including obtaining and reviewing supporting documentation relating to Cardiff Harbour Authority's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals;
- obtaining an understanding of Cardiff Harbour Authority's framework of authority as well as other legal and regulatory frameworks that Cardiff Harbour Authority operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Cardiff Harbour Authority; and
- obtaining an understanding of related party relationships.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;

- enquiring of management and the Governance and Audit Committee about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance, the Cabinet and Council;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Cardiff Harbour Authority's controls, and the nature, timing and extent of the audit procedures performed.

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

Other auditor's responsibilities

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

Certificate of completion of audit

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

Adrian Crompton
Auditor General for Wales
[Date]

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

Appendix 3

Summary of Corrections Made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Exhibit 3: summary of corrections made

Value of correction	Nature of correction	Reason for correction
£114,000	<p>CIES, Balance Sheet & Note 2-movements in property, plant, equipment & Other long term assets</p> <ul style="list-style-type: none">• Increase in revaluation recognised in the revaluation reserve £36,000• Increase in revaluation in recognised in the CIES £18,000• Increase in depreciation charges (£4,000)• Increase in depreciation written out to revaluation reserve £47,000• Increase in depreciation written out to the CIES £17,000.	To correctly disclose the value of depreciated replacement cost land and buildings in line with the Code requirements.



Audit Wales

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

Minor Joint Committees in Wales

Annual Return for the Year Ended 31 March 2023

Accounting statements 2022-23 for:

Name of body: PORT HEALTH

	Year ending		Notes and guidance for compilers
	31 March 2022 (£)	31 March 2023 (£)	Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the underlying financial records for the relevant year.
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	57,265	33,420	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	126,600	133,101	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	4,360	1,210	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	-134,887	-144,290	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses eg termination costs.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	-19,918	-23,441	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	33,420	0	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	12,832	25,957	Income and expenditure accounts only: Enter the value of debts owed to the body.
9. (+) Total cash and investments	162,783	129,624	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	-142,195	-155,581	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	33,420	0	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	0	0	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

Annual Governance Statement

We acknowledge as the members of the Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2023, that:

	Agreed?		'YES' means that the Council/Board/Committee:	PG Ref
	Yes	No*		
<p>1. We have put in place arrangements for:</p> <ul style="list-style-type: none"> • effective financial management during the year; and • the preparation and approval of the accounting statements. 	<input checked="" type="radio"/>	<input type="radio"/>	Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
<p>2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
<p>3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Committee to conduct its business or on its finances.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6
<p>4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit.	6, 23
<p>5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Considered the financial and other risks it faces in the operation of the body and has dealt with them properly.	6, 9
<p>6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body.	6, 8
<p>7. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Committee and, where appropriate, have included them on the accounting statements.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
<p>8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

Additional disclosure notes*

The following information is provided to assist the reader to understand the accounting statements and/or the Annual Governance Statement

1.


2.

3.

* Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statements and/or the annual governance statement.

Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

<p>Certification by the RFO</p> <p>I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2023.</p>	<p>Approval by the Council/Board/Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
<p>RFO signature: </p>	<p>Minute ref:</p>
<p>Name: Christopher Lee</p>	<p>Chair of meeting signature:</p>
<p>Date: 26/6/2023</p>	<p>Date:</p>

Auditor General's report and audit opinion

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2023 of **Cardiff Port Health Authority**. My audit has been conducted on behalf of the Auditor General for Wales and in accordance with the requirements of the Public Audit (Wales) Act 2004 and guidance issued by the Auditor General for Wales.

Audit opinion: Unqualified

On the basis of my audit, in my opinion no matters have come to my attention to give cause for concern that, in any material respect, the information reported in this Annual Return:

- has not been prepared in accordance with proper practices;
- that relevant legislative and regulatory requirements have not been met;
- is not consistent with the Authority's governance arrangements; and
- that the Authority does not have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Other matters and recommendations

I draw the Authority's attention to the following matter which does not affect my audit opinion but should be addressed by the Authority.

- Regulation 15 of the Accounts and Audit (Wales) Regs 2014 requires the Annual Return to be both properly certified by RFO and approved by the Chair of the Committee or Council meeting receiving the Return on or before 30 June.
- As no approval had been given before the deadline, Cardiff County Council as administering authority had not provided proper opportunity for the exercise of electors' rights of inspection of an approved set of 'the accounts to be audited' under Section 30 of the Public Audit (Wales) Act 2004.
- Regulation 15 requires publication of a statement setting out the reasons for non-compliance and the arrangements being put in place for securing certification.
- An addendum to the Audit Notice has been published on the Cardiff County Council website to notify electors of their inspection rights over an unapproved Annual Return as audited and of the arrangements in place for a full meeting of the Council to approve the Annual Return.
- We recommend that the Council reviews the arrangements for approving the Annual Return to ensure compliance with Regulation 15 for the Annual Return covering the 2023-24 financial year.

There are no further matters I wish to draw to the Authority's attention.

Annual internal audit report to:

Name of body: PORT HEALTH

The Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2023.

The internal audit has been carried out in accordance with the Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>Appropriate books of accounts have been properly kept throughout the year through Cardiff Council's main accounting ledger, SAP.</p> <p>Cardiff is constituted as a Port Health Authority and not a joint board/committee. Port Health is included as part of the Shared Regulatory Services (SRS) Joint Committee under a joint working agreement with Bridgend and Vale of Glamorgan Councils. The budget for Port Health is included in the budget for the SRS as a Cardiff-specific service.</p> <p>Accounts are prepared in accordance with <i>the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23</i> (for financial years commencing on or after 01.04.2022) and the <i>Service Reporting Code of Practice (SeRCOP) 2022/23</i>.</p> <p>The draft budget for 2022/2023 was presented to the meeting on 14.12.2021. Appendix A to the report set out the budget for Port Health as £147,019 (an increase on 2021/2022 of £2,422), to be funded via precepts.</p>
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>The Body's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for under the accountable body (Cardiff and Vale of Glamorgan Council's VAT registration) with the necessary disclosures and permissions being sought from HMRC.</p> <p>Cardiff Council remains responsible for the central recharges, and the Vale of Glamorgan for the daily expenditure (salaries, supplies & services, etc.)</p>
3. The body assessed the significant risks to achieving its objectives and reviewed the	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>The Shared Regulatory Business Plan for 2022/2023 was approved at the meeting on 28.06.2022. The meeting on 27.09.2022 updated the Joint Committee on the work</p>

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
adequacy of arrangements to manage these.					<p>of the service and progress toward completing the actions in the Business Plans. There is no separate business plan for Port Health.</p> <p>The Business Plan states, at para. 1.1 to the covering report, that it reflects the aspirations set out in each of the participant Councils' corporate plans and has a line of sight to the corporate priorities of the respective Councils (para 1.2). Port Health is noted in the business plan as one of the key services offered and is a specific service for Cardiff and Vale of Glamorgan Councils.</p> <p>One of the key actions for 2022/2023 was stated as to develop and adopt the Port Health Plan for 2022/2023. The business plan contains a risk register for the SRS as a whole.</p>
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>Annual precepts are calculated and regularly monitored by the Accountant.</p> <p>Expenditure totalled £167,731.12. The levy was £133,100.74 and there was additional income from water sampling totalling £1,210.16. There was a contribution from reserves of £33,420.22 which brought the balance on reserves to zero.</p> <p>Matters relating to Port Health accounts were reported to the Shared Regulatory Services Joint Committee during 2022/2023 as part of updates on SRS financial matters.</p> <p>Through discussion it was also noted that income and expenditure are regularly monitored by the SRS Accountant.</p>
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>The Council's Tax Base calculation is an annual exercise that is used by the Welsh Government (WG) for the distribution of Revenue Support Grant. It is also used by the Council for calculating the Council Tax charges for each year.</p> <p>It is essential that the Council Tax Base is set in order that it can be submitted to the Welsh Government and used by Councils and levying bodies to set precepts. For 2022/2023, it was set by Cabinet at the meeting on 16.12.2021.</p> <p>Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.</p>
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<p>Analysis of SAP (KSB1) for the overall cost / profit centre position QA001 did not identify any Imprest account reimbursements (doc numbers starting with 19 - Direct Payments). There are no imprest account transactions on the Cardiff Council ledger.</p>

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Staffing costs as shown on the income and expenditure spreadsheet total £144,289.77.
8. Asset and investment registers were complete, accurate, and properly maintained.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	There are no tangible fixed assets (zero balance on annual return). Current assets include cash & investments (held by Cardiff Council) (£129,624.12) and debtors (£25,957.00).

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Monthly and year-end bank account reconciliations for inter companies are undertaken as part of the council wide year-end bank reconciliations, and any imbalances are rectified during the course of the year.
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	The accounting statement (detailed within this return) prepared from figures based in SAP.

For any risk areas identified by the Council/Board/Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:					
	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
11. Insert risk area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Insert text
12. Insert risk area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Insert text
13. Insert risk area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Insert text


* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

[My detailed findings and recommendations which I draw to the attention of the Committee are included in my detailed report to the Committee dated _____.] * Delete if no report prepared.

Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2021-22 and 2022-23. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Susan Powell
Signature of person who carried out the internal audit: 
Date: 10.02.2023

<p>Richard Harries, Engagement Lead, Audit Wales For and on behalf of the Auditor General for Wales</p>	<p>Date: XX XXX 2023</p>
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**CITY & COUNTY OF CARDIFF DINAS A SIR
CAERDYDD****COUNCIL: 28 MARCH 2024**

REPORT OF THE CHIEF EXECUTIVE

APPOINTMENT OF MONITORING OFFICER**Reason for this Report**

1. To formally designate a Monitoring Officer to meet the requirements of the Local Government and Housing Act 1989 and to carry out the statutory role and responsibilities of Monitoring Officer under that Act.

Background

2. Council received a report on 21st September 2023 noting the resignation of the Director of Governance and Legal Services and Monitoring Officer, and approved a recruitment and selection process to fill the post.
3. On 27th October 2023 the post of Director of Governance and Legal Services fell vacant. As the post-holder was the Council's designated statutory Monitoring Officer the Council on 26th October 2023 designated Debbie Marles as Interim Monitoring Officer in order to meet its statutory duties until the date that a new Director of Governance and Legal Services commences employment.

Issues

4. A recruitment and selection process was completed in line with the Council resolution of September 2023 (referenced in paragraph 2 above). This commenced with the public advertisement of the role. On 16th January 2024 the Appointments Committee resolved to appoint Debbie Marles as the new Director of Governance and Legal Services. Ms Marles has accepted the position and will commence employment on or before 25th July 2024, with the exact date to be confirmed.
5. Under the Council's Constitution, Article 11.1(b), there is a necessity for Council to formally designate the Monitoring Officer, so that Debbie Marles' designation will change from Interim Monitoring Officer to Monitoring Officer with effect from the date of commencement of her employment with Cardiff Council.

Legal Implications

6. Section 5 of the Local Government and Housing Act 1989 imposes a statutory duty on the Council to designate one of its officers, to be known as

the Monitoring Officer, to carry out the statutory duties of Monitoring Officer under that Act. Those duties are primarily to ensure the lawfulness and fairness of the Council's decision making.

7. The Act also requires the Council to provide the Monitoring Officer with sufficient staff, accommodation, and other resources to allow the duties of the role to be performed.
8. The appointment of the Director of Governance and Legal Services may be made by the Appointments Committee under its approved terms of reference and in accordance with the Employment Procedure Rules. However, Article 11.1(b) of the Constitution requires that the designation of the Monitoring Officer is made by Council.

Financial Implications

9. There are no financial implications as a result of this report

RECOMMENDATION

It is recommended that Council:

1. Notes the appointment by the Appointments Committee of Debbie Marles as the Director of Governance and Legal Services, to take effect on or before 25th July 2024, with the exact date to be confirmed; and
2. Designates Debbie Marles as the Council's Monitoring Officer, pursuant to Section 5 of the Local Government and Housing Act 1989, with effect from the date of commencement of her employment (in accordance with recommendation 1 above).

Paul Orders Chief Executive 14th March 2024

Background Papers

Report to Council, 'Appointment of Director of Governance and Legal Services and Monitoring Officer', 21st September 2023: [CARDIFF COUNTY COUNCIL \(moderngov.co.uk\)](https://www.moderngov.co.uk/council/council-agenda/2023/21-09-2023/council-agenda-21-09-2023)

Report to Full Council 26 October 2023

Appointments Committee, 16th January 2024: [Agenda for Appointments Committee - Director Governance and Legal Services and Monitoring Officer on Tuesday, 16th January, 2024, 12.30 pm : Cardiff Council \(moderngov.co.uk\)](https://www.moderngov.co.uk/council/council-agenda/2024/16-01-2024/council-agenda-16-01-2024)

CYNGOR CAERDYDD CARDIFF COUNCIL



COUNCIL:

28 MARCH 2024

CABINET PROPOSAL

TRUSTS – GOVERNANCE ARRANGEMENTS

Reason for this Report

1. For Cabinet to agree governance arrangements to be adopted for discharging the Council's role as corporate trustee going forward.

Background

2. Many local authorities hold assets that are subject to a trust, often a charitable trust (that is, a trust created for charitable purposes prescribed by law). A trust is a legal relationship created when assets are placed under the control of a trustee for the benefit of a beneficiary, or for a specified purpose. They often arise when a donor has gifted or transferred land or property to the Council on condition it is used for a public purpose, such as a museum, art gallery or recreation ground, but may also be financial investments or other funds, often for the purpose of awarding grants to the community.
3. Trustees hold a fiduciary position that demands high standards of trust and confidence. A trustee is responsible for the affairs of the trust and must act in the best interests of the trust to ensure that its assets are used for the trust's purposes (or objectives) for the benefit of the trust's beneficiaries, as set out in its governing documents, and in accordance with the law.
4. Where the Council is a corporate trustee, it must ensure that trust assets are held separately from the Council's own estate and property and are used strictly in accordance with the trust's particular purpose and not generally for Council functions. In some cases, such as recreation grounds, the Council also has statutory power to provide these as a local authority function, so it may be difficult to distinguish whether the Council is holding such land upon trust or for statutory purposes. All decisions made by the Council as trustee must be made in the best interests of the trust, and not influenced by Council or political objectives or priorities.

5. In March 2023, the Cabinet, considered a report in its capacity as sole corporate trustee of Maindy Park Trust, a registered charity with the objects to use land at Maindy Park for recreation, playground and open space. One of the approved recommendations arising from that report was that a review of the governance and financial management arrangements of all trusts of which the Council is a trustee would be carried out by the Council's Corporate Director Resources and the Director of Governance and Legal Services under their delegated authority, to identify any necessary improvements to be agreed and put in place. This report provides Cabinet with an update on that review and proposed improvements to the Council's governance arrangements.
6. A multi-disciplinary team of officers from the Council's Estates, Finance and Legal departments has been working on a review of all trusts where the Council is a corporate trustee. In many cases, this has involved reviewing and collating information held within different departments of the Council, as well as information held by the Land Registry and Charity Commission to check whether property is held on charitable or other trusts, confirm the identity of all trustees, the trust's objectives and all dealings with the trust's assets.
7. This work is ongoing and will be kept under continual review. In the case of land, it can be difficult to determine whether land is held upon charitable trust or for statutory purposes. This is common in the case of public recreation grounds which can be acquired for the purposes of a specific Act of Parliament, such as the Public Health Acts, which provide a local authority with power to acquire land for public recreation; or may be acquired to be held on 'charitable' trust for the purposes of public recreation, which is governed by charitable law and imposes different considerations, that must be in the best interests of the charity rather than the local authority. The capacity in which the Council holds land is not always clear in the charity's deeds or governing document, which is a common issue for many local authorities.
8. The outcome of this review will allow all departments that deal with trust property to have knowledge and easy access to relevant trust information, before any detailed discussions are commenced concerning trust assets. This will also include mapping details of trust property on the Council's GIS mapping system, so that trust land can be easily identified. Whilst in most cases specific legal advice should be sought on a proposal, it will enable officers to be aware of the potential for trust implications at an earlier stage and help identify potential conflicts of interest.
9. In reviewing the financial management arrangements, some work will be required in order to ensure the value of assets held in trust are clearly set out in Trust Accounts going forward and are reflected appropriately within the Council's own statement of accounts. This work can only be fully concluded once the responsibilities of each trust are fully understood.
10. In addition, where trusts hold land or assets, there are cases where costs incurred by the Council for maintaining the Trust asset are currently captured within the Council's own accounts because they are subsidised

by the Council, but they are neither separated from each trust asset nor from the maintenance of other assets owned by the Council. Currently, there are no charges made by the Council to the Trust thus the Charities Commission guidance referenced in para 14 (V) is currently adhered to as the Trust does not currently pass any of its funds to the Council for those activities. However, further consideration needs to be given as to whether or not it is useful for the purposes of transparency to separately identify the costs incurred by the Council in maintaining the trust assets.

Issues

11. For some trusts, the Council has the right to appoint trustees (who may be Councillors or officers or third parties), but it is then the individual, rather than the Council as a corporate body, that is the trustee. In such cases, the individually appointed trustees have a duty to act in the best interests of the trust and are provided with guidance about their duties in this regard, for example, within the WLGA's Guidance for Councillors on Outside Bodies: [Outside Bodies | WLGA Councillors Website Guide \(wlgacouncillorsguide.wales\)](#) and the Charity Commission's Essential Trustee guidance: [The essential trustee: what you need to know, what you need to do \(CC3\) - GOV.UK \(www.gov.uk\)](#)
12. However, where the Council as a corporate body is the trustee, then arrangements need to be made to discharge that role. Under executive arrangements, the function of the Council as charity trustee is an executive function (pursuant to s 13(2) of the 2000 Act), which may be discharged by the full Cabinet, a Committee of the Cabinet or delegated to an officer (or another local authority or a joint committee).
13. The following relevant provisions are set out under the Council's Scheme of Delegations (in Part 3 of the Constitution):
 - (i) The Corporate Director Resources is authorised to manage trust funds, including charitable trust funds, where the Council or its officers are trustees (delegation reference FS5 in Section 4E of the Scheme of Delegations); and
 - (ii) The Cabinet has a reserved power to perform any Executive Function where arrangements have not been made for an officer to discharge the function under delegated authority (Cabinet's reserved power number 43 in Section 2 of the Scheme of Delegations).

This means that, except for the Corporate Director Resources' delegation to manage trust funds (under delegation reference FS5), all other decisions of the Council as corporate trustee currently fall within the reserved powers of the Cabinet.

The Council's role as trustee

14. Guidance issued jointly by the Local Government Association and the Charity Commission (Councillors' guide to a Council's role as charity trustee) recognises that:

'Local authorities are well suited to being charity trustees; in particular, councils are:

- Rooted in the local community;
- Open and transparent in their dealings;
- Highly accountable for their actions; and
- Have the high standards of public conduct embedded in the way they work.

Further, 'Local authorities have the skills, public knowledge and professionalism to manage charitable trusts very effectively, but care needs to be taken to ensure that unnecessary problems do not arise.'

15. The guidance goes on to set out a number of key principles to assist Councils to manage charitable trusts safely, including:

- (i) The charity must be independent and operate solely for charitable purposes, and not used as a means of carrying out the policies or directions of the local authority.
- (ii) Where a local authority is a trustee of a charity, it is the corporate body, acting in accordance with its usual procedures, which is the trustee; and while ongoing management may be delegated to officers, responsibility for decision-making and oversight rests with the Councillors (i.e. the Cabinet).
- (iii) The terms of the charity must be clearly understood and appropriate advice should be sought as necessary.
- (iv) Management of the charity should be kept separate, as far as possible, from the business of the local authority; and it may make sense for a committee of Councillors to be allocated this task.
- (v) Finances of the trust must be kept separate from those of the Council. The assets must be accounted for separately and income and expenditure should be channelled through discrete cost centres. The LA may top up the finances of the trust, but no funds should pass from the trust into the Council's own accounts, although the Council may in certain circumstances recover the costs of administration.

Specific issues for local authorities which are charity trustees include:

Conflicts of Interest

16. Local authorities have to manage the conflicts of interest that can arise because of the different 'hats' they may be wearing – for example, as land-holding charity trustees, as the provider of statutory amenities, and as planning authorities.
17. The Charity Commission has published guidance on 'Managing conflicts of interest in a charity', which explains the need for trustees to:

- (i) Identify conflicts of interest – A conflict of interest is defined as any situation in which a trustee’s personal interests or loyalties could, or could be seen to, prevent the trustee from making a decision only in the best interests of the charity. Conflicts of interest usually arise where either there is a potential financial or measurable benefit directly or indirectly to a trustee (Benefits to trustees); or a trustee’s duty to the charity may compete with a duty or loyalty they owe to another organisation or person, such as the Council (Conflicts of loyalty). The guidance indicates that it is good practice for a trust’s governing document to include provisions dealing with conflicts of interest and for the trust to have a written conflicts of interests policy and register of interests.
- (ii) Prevent conflicts of interest from affecting decision making – any conflicts of interest must be declared and the trustee body must go on to consider how to prevent the conflict from affecting the trust’s decision making, which will depend on the circumstances. The trustees must consider whether the conflict can be removed, for example, by changing the course of action so that the conflict does not arise. This is particularly important where there is a serious conflict, which will arise, for example, in situations where the Council is the sole corporate trustee and has a commercial interest in the charity decision. In such cases, the guidance advises that consideration should be given to appointing additional trustees who are not affected by the conflict, taking legal advice and or seeking authority from the Charity Commission.
- (iii) Where there is a conflict of loyalty without any trustee benefit, for example, where Cabinet, as trustee, is considering a proposed trust transaction with a third party (and the only conflict arises in relation to Cabinet members’ loyalty to the Council), the trustees must give careful consideration to whether or not the conflicted trustee (Cabinet) should participate in the decision or withdraw from it and whether they will be able to demonstrate that the decision was made only in the best interests of the charity. It is anticipated that most trust decisions will not present any potential financial or other measurable benefit for the Council, so it is a conflict of loyalty which will be most likely to arise. Legal advice on the nature and extent of the potential conflict and how to manage this will be provided to inform any proposed decision in any such case.
- (iv) Any conflict relating to benefits to trustees, for example in a case where it is proposed that the trust enters a transaction with the Council (even if the transaction is for market value), must be authorised, either under the governing document, by legislation (for example, the power in the Charities Act which allows charities, in some circumstances, to pay trustees for additional goods or services they provide to the charity over and above normal trustee duties) or by the Charity Commission or the court. Legal advice should be sought before proceeding and if Council officers may be conflicted because of their duties to the Council, then independent advice would be procured from external advisors.

- (v) Record conflicts of interest – a written record should be kept of any conflicts of interest, both in a register of interests and in the minutes of the trustees meeting. The records should include the nature of the conflict, which trustee/s were affected, whether the conflicts were declared in advance, whether anyone withdrew from the discussion, what advice the trustees were given and who provided it and how the trustees took the decision in the best interests of the charity. Any benefits received by trustees should be disclosed in the charity's accounts.

Consultation

- 18. Where a local authority is the trustee of charity land, there is often another important factor to take into account – the voice of local inhabitants. This is because in some cases of trust property the land may be a facility intended for local community use (e.g. a recreation ground or public building). Proposals for a major change in the way that such land is used, or for the sale or lease, where permitted under charity law, of a significant part, or all, of the land, will have an impact on its use by the public. For this type of trust land, there may be strong local views that may need to be taken into account as part of a decision-making process.
- 19. Public consultation may sometimes be required by law and at other times is a matter of good practice. The extent and breadth of the consultation should be considered on a case-by-case basis depending on the charity's objective and the beneficiaries that were intended to benefit from it.
- 20. Where consultation is undertaken, it must comply with the Gunning principles, i.e. the consultation process should:
 - (i) be undertaken when proposals are still at a formative stage;
 - (ii) include sufficient reasons and information for particular proposals to enable intelligent consideration and response;
 - (iii) provide adequate time for consideration and response; and
 - (iv) ensure that the product of consultation is conscientiously taken into account when the ultimate decision is taken.
- 21. Any consultation requirements applicable to specific trust decisions will be set out within the accompanying decision report.

Proposed Governance Arrangements

(summarised in the Flowchart which is attached as **Appendix A** to this report)

Trusts Cabinet Committee

- 22. As noted in paragraph 12 above, the function of the Council as charity trustee is an executive function, which may be discharged by the full Cabinet, a Committee of the Cabinet or delegated to an officer (or another local authority or a joint committee). It is recommended that a Cabinet Committee, 'the Trusts Cabinet Committee', be appointed, comprised of 5 Cabinet members, with delegated powers to consider and deal with all

matters in which the Council acts as Trustee, with the exception of any matters lawfully delegated to officers. The establishment of a separate Committee of Cabinet is intended to facilitate a clear separation of the Council's role as corporate trustee from its ordinary statutory functions. It is recommended that the terms of reference for the Committee include express provision that 'All Members of the Committee will be required to undertake relevant training to enable them to properly discharge their duties.' This is to ensure that Committee members receive appropriate training to ensure they understand their legal duties as trustee; and it reflects the term included in many of the Council's other decision-making Committees. It should be noted that the Committee may decide to delegate certain powers to officers (under section 15(7) of the Local Government Act 2000) – for example, for more routine decisions relating to the repair, maintenance and management of trust property. A report may be presented to the Trusts Cabinet Committee setting out the precise terms of any proposed officer delegations, with supporting reasons and any appropriate limitations. However, overall responsibility for all trusts decisions will rest with the full Cabinet.

23. Committees of Cabinet are subject to the same public access to information rules as Cabinet meetings, requiring public access to meetings and documents, save for any exempt information. Their meetings are governed by the Cabinet Procedure Rules (in Part 4 of the Constitution [Cabinet Procedure Rules.pdf \(moderngov.co.uk\)](#)). Quorum of a Cabinet Committee requires a minimum of 3 Cabinet members.
24. Matters for decision by the Cabinet Committee would be submitted within decision reports, with all relevant information and professional advice contained therein, including legal and financial implications of recommended decisions. Members would be required to disclose any personal interests or conflicts of interest in accordance with the Members' Code of Conduct and legal advice in relation to their duties as trustee.
25. In accordance with the Members' Code of Conduct, no Cabinet Member who has a personal and prejudicial interest in any trust decision shall take any part in that decision (the Cabinet member will be required to declare their conflict of interests and withdraw from the Cabinet Committee meeting). This may arise, for example, where a Cabinet member may have an involvement in a third party organisation which may benefit from a proposed trust decision. [Cabinet members who are members of the Trusts Cabinet Committee will also need to consider and declare any personal interests in Cabinet business which may arise from decisions taken, as Corporate Trustee, in relation to specific Trusts. The Monitoring Officer can provide advice in this regard, upon request.]
26. In considering appointments to the Trusts Cabinet Committee, potential conflicts of individual Cabinet Members should be considered in order to reduce the risk of conflicts and quorum difficulties arising.

Conflicts of Interest Policy and Register of Interests

27. It is recommended that the Trusts Cabinet Committee, if established, should receive a report at its first meeting giving further consideration to provisions for conflicts of interest, including the potential adoption of a Conflicts of Interests Policy for Trusts where the Council is a Corporate Trustee and an associated separate Register of Interests for Trusts decisions. Members will, of course, be aware of the regulation of their personal interests in relation to Council business within the statutory Members' Code of Conduct, including the requirement for publication of the Members' Registers of Interests. However, it is recommended that further consideration should be given to arrangements for disclosing and managing conflicts of interest in relation to managing the business of each trust of which the Council is a corporate trustee, which means considering conflicts from the perspective of each trust and its objectives, rather than the Council. The arrangements to be adopted for each trust will need to reflect the specific nature and governing documents of the respective trust, but it may be possible to develop a single conflicts policy setting out guidelines for managing conflicts in different types of trusts. It is recommended that the issues and options in this regard should be explored further, with relevant legal advice, and presented in a report to the Trusts Cabinet Committee for consideration and decision.

Serious Conflicts of Interest

28. In cases where the Council, as corporate trustee, has a serious conflict of interest, for example, where the Council is the sole corporate trustee and has a commercial interest in a trust decision, the Charity Commission guidance advises that trustees must consider whether the conflict can be removed or managed by appointing additional trustees who are not affected by the conflict, taking independent legal advice and or seeking authority from the Charity Commission (as explained in paragraph 17 (above)).

Appointment of Additional Trustees

29. The appointment of additional trustees would require appropriate trustees to be sourced, with the relevant knowledge and skills and commensurate remuneration, which may be covered by the trust's own funds, subject to compliance with its governing documents and trust / charity law. The effect of this would be to pass responsibility for the charity assets to the individual managing trustees who would become responsible for the charity separately from the Council. Members will also note that the Charity Commission guidance recognises that local authorities have a number of advantages which make them well suited to being charity trustees, as long as care is taken in setting up appropriate arrangements to manage trusts safely (see paragraphs 14 and 15 above). Further, if the proposed transaction would be regarded as a 'connected person transaction' under charity law (specifically, Part 7 of the Charities Act 2011 and Charities Act 2022, which is partially in force), then unless the Council resigns as trustee removing the conflict, the consent of the Charity Commission would be required in any event. The requirement for Charity Commission consent would provide independent assurance that the transaction is made taking

into account the best interests of the trust and may be regarded as obviating the need for appointing additional trustees.

30. It is recommended that the option of appointing additional trustees in any case where the Council has a serious conflict of interest should be considered on a case-by-case basis and addressed within the relevant decision report.
31. Members will recall that, in the case of Maindy Park Trust (referenced in paragraph 5 above), the Council was faced with a serious conflict of interests between its proposed development projects and acting, as sole corporate trustee, in the best interests of the Maindy Park Trust. In line with the Charity Commission's guidance, the Council sought advice from Counsel in relation to how the Council should manage its conflict of interests and ensure its trustee decision was taken properly in the best interests of the trust.

Distinguishing between more and less serious conflicts

32. Counsel's advice in the Maindy Park Trust matter was that any Member who had voted on the Council's development proposals or was directly involved or interested in those proposals should declare a 'serious conflict of interests' and refrain from taking any part in the trustee decision on the proposed land exchange. However, Counsel advised that for practical purposes, the Council could demonstrate that it has managed conflicts as far as possible by distinguishing between more and less serious levels of conflict of interest. Accordingly, other Cabinet members who had no 'serious conflict of interests' could be regarded as having a 'technical conflict', which would not necessarily preclude them from participating in the trust decision, as long as their interest was properly declared and the trustees could demonstrate that the decision was in the best interests of the trust. (It should be noted that Counsel's use of the term 'serious conflict of interests' is not the same as in the Charity Commission's guidance, as referred to in paragraph 17 above, so the two uses should not be conflated.)

Independent Advisory Committee

33. Given the fact that there were no wholly unconflicted Councillors in view of all individual Cabinet members having a duty to the Council as well as their corporate trustee duty as part of the Cabinet, Counsel advised that it would be sensible to set up an Advisory Committee (under section 102(4) of the Local Government Act 1972), consisting of non-Councillors who could consider and advise on the proposed transaction. It was suggested that the Advisory Committee may be comprised of independent members of the Standards and Ethics Committee or the Governance and Audit Committee. An Advisory Committee was duly appointed by Council, comprised of 3 independent members of the Standards & Ethics Committee, with responsibility to consider the Maindy Park proposed land exchange, having regard to all relevant evidence and advice, including independent valuation advice, and make a recommendation to Cabinet, in its capacity as sole corporate trustee, on whether or not the proposal

should be agreed, in the best interests of the charity, subject to Charity Commission approval (or the Court). As a further safeguard, the Advisory Committee and the Cabinet, sitting as trustee of Maindy Park Trust, were both advised by independent external solicitors with expertise in charity law. As mentioned earlier in the report, such conflicts of interest even where properly managed will still require the approval of the Court or the Charity Commission as an additional 'safety net'.

34. It is recommended that the independent Advisory Committee structure may be utilised again to consider and make a recommendation to the Trusts Cabinet Committee in relation to any trust decision where the Council has a serious conflict of interests. Based on the ongoing review of trusts where the Council is corporate trustee (referenced in paragraph 6 above), it is understood that a serious conflict of interest is expected to arise in very few cases.
35. An advisory committee may be appointed (under section 102(4) of the Local Government Act 1972) to advise the Cabinet or a Cabinet Committee in relation to the discharge of executive functions. An advisory committee may consist of such persons (whether members of the Council or not), appointed for such term as may be determined by the Council (but may not include Council employees or anyone who is disqualified from being an elected Member of the Authority, for example, those declared bankrupt).
36. The appointment of an advisory committee, its membership and terms of reference, may be recommended by the Cabinet, but requires the approval of full Council (pursuant to Regulation 3(9) of the Local Authorities (Executive Arrangements) (Functions and Responsibilities) Wales Regulations 2007).
37. Meetings of an advisory committee are governed by the Committee Meeting Procedure Rules; and the Access to Information Procedure Rules apply in relation to public access to meetings, agendas and reports (Local Government Act 1972, section 100E(3)(a)).
38. An advisory committee may only advise the Cabinet or a Cabinet Committee in relation to trust decisions (taken as corporate trustee), but the trust decisions remain the responsibility of the Cabinet Committee, to be taken having regard to the recommendations of the advisory committee.

Charity Commission

39. As noted in paragraph 29 above, any proposed dealings with Charity assets, including land transactions to 'connected persons' will require the consent of the Court or the Charity Commission. As the requirements may differ between different charities for which the Council is trustee, further detailed legal advice will need to be sought at an early stage to confirm whether any consent requirements apply. If applicable, the Court or Charity Commission's consent will provide further independent assurance that the decision has been taken lawfully and properly.

40. An application to the Charity Commission is currently pending concerning the proposed land exchange at Maindy Park. In the event that any general governance recommendations arise from that Charity Commission decision, these will need to be reported and considered for implementation.

Reason for Recommendations

41. To improve governance arrangements in respect of trusts where the Council is corporate trustee and ensure trust decisions are taken lawfully and properly in the best interests of the relevant trust.

Financial Implications

42. The primary financial implications of this report are set out in paragraphs nine and ten. Consideration needs to be given to the treatment of these Trust assets in the respective Accounts of the Council and the individual trusts going forward. Where the assets are land and / or property further work will need to be undertaken in order to establish the benefits of separating out each asset to provide a cost of maintenance. It should be noted that currently no Trust funds pass to the Council for payments of any work undertaken.

Legal Implications

43. Many local authorities hold assets for charitable purposes, which often arises from the assets being gifted or transferred to the Council on the condition that it is to be used for charitable purposes for a public benefit such as funds provided for educational purposes or the land used for a public recreation ground. The Council has power to receive and hold gifts on charitable trusts pursuant to Section 139 of the Local Government Act 1972.
44. Where the Council is the trustee, it holds this position as a body corporate, and in most cases will be sole corporate trustee. In other cases, it may not be a trustee at all but has the right to nominate or appoint trustees to a charitable organisation, which may be a Council Member or Officer employed by the Council by virtue of their position within the Council. In those cases, those particular individuals will be an individual trustee and decision maker along with any co-trustee identified under the trust's governing document. The list of charities annexed to this report identifies the Council's role with regard to those charities. This report largely deals with future decisions for trust matters, particularly where the Council is Sole Corporate trustee.
45. Many of the Council's trusts were established many years ago and do not contain detailed or specific governance arrangements for decision making and most trust decisions are undertaken under existing Council processes. As indicated in the body of the report, Section 13(2) of the Local Government Act 2000 and the Local Authorities (Executive Arrangements)(Functions and Responsibilities)(Wales) Regulations 2007

do not specifically deal with the Council's function as a trustee and in relation to this function therefore, the default position is that trust decisions rest with the Council's Cabinet. It is noted that there is an existing officer delegation in connection with the administration of trust funds, which would usually be exercised in the case of payments of awards and bursaries.

46. It is recognised that the majority of trust decisions resting with Cabinet as the main decision maker can raise potential issues and matters of conflicts of interest, particularly where there is a perceived benefit to the Council in its capacity as a local authority, rather than as trustee. Charity Commission guidance suggests that whilst local authorities are well placed to manage charities effectively, it is important that its function as charity trustee is kept separate to its other local authority business. The proposal of establishing a Cabinet committee seeks to address that and provide a separate committee of councillors whose role will be to focus its consideration solely on trust matters. As explained in the body of the report, it is noted that there may still be a requirement for greater independence in some cases where there is a serious conflict of interests. The use of an independent advisory committee can provide an independent analysis, in conjunction with independent advice.
47. Decisions in relation to governance and decision making for charities are a matter for the charities' trustees. When making a decision as a charity trustee, the Council is required to:
- act within your powers
 - act in good faith, and only in the interests of your charity
 - make sure you are sufficiently informed, taking any advice you need
 - take account of all relevant factors you are aware of
 - ignore any irrelevant factors
 - deal with conflicts of interest and loyalty
 - make decisions that are within the range of decisions that a reasonable trustee body could make in the circumstances.
48. It is anticipated that specific and detailed legal advice will need to be provided on any specific issues relating to any of the Council's trusts and charities, particularly for dealings with land. Such matters are not the subject of this report, and if this proposal is approved, will need to be reported to the new Cabinet committee at a future date, setting out the issues in detail to be considered.

General Advice

Equalities & Welsh Language

49. In considering this matter the decision maker must have regard to the Council's duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must, in making decisions, have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: (a) Age, (b) Gender reassignment, (c) Sex, (d) Race

– including ethnic or national origin, colour or nationality, (e) Disability, (f) Pregnancy and maternity, (g) Marriage and civil partnership, (h) Sexual orientation, (i) Religion or belief – including lack of religion or belief.

50. When taking strategic decisions, the Council also has a statutory duty to have due regard to the need to reduce inequalities of outcome resulting from socio-economic disadvantage ('the Socio-Economic Duty' imposed under section 1 of the Equality Act 2010). In considering this, the Council must take into account the statutory guidance issued by the Welsh Ministers ([WG42004 A More Equal Wales The Socio-economic Duty Equality Act 2010 \(gov.wales\)](#)) and must be able to demonstrate how it has discharged its duty.
51. The decision maker should be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

The Well-being of Future Generations (Wales) Act 2015

52. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales – a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible. In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving the national well-being goals. The well-being objectives are set out in the Council's Corporate Plan 2023-26.
53. When exercising its functions, the Council is required to take all reasonable steps to meet its well-being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well-being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
54. The well-being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
- Look to the long term
 - Focus on prevention by understanding the root causes of problems
 - Deliver an integrated approach to achieving the 7 national well-being goals
 - Work in collaboration with others to find shared sustainable solutions
 - Involve people from all sections of the community in the decisions which affect them

The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible on line using the link below:

<http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

55. Other relevant legal implications are set out in the body of the report.

Property Implications

56. This report proposes revised management processes and governance relating to land and property assets held in trust. Aligned to the work undertaken to prepare this report, records relating to trust assets have been centralised into a shared resource. Estates team will work with finance colleagues to review the existing basis for Trust assets and either undertake or procure additional valuations as and when required. It will be important for the relevant Council teams involved in trust management and related transactions (Property, Finance and Legal) to continue to work closely together in any revised governance.

HR Implications

57. There are no HR implications arising directly from this report.

CABINET PROPOSAL

Council is recommend to establish an Advisory Committee, 'the Trusts Advisory Committee', comprised of 3 independent members of the Standards and Ethics Committee, with the following Terms of Reference:

'In relation to any Trust of which the Council is a Corporate Trustee and any proposal in respect of which the Council has a serious conflict of interests, in line with Charity Commission guidance and or legal advice, to make a recommendation/s to the Trusts Cabinet Committee or the Cabinet on whether or not the proposal should be agreed, with or without modification/s, in the best interests of the Trust, having regard to all relevant issues and advice.'

**THE CABINET
21 March 2024**

The following appendix is attached:

Appendix A – Trusts Decision Making - Flowchart

Background papers

Maindy Park Trust – Governance Arrangements, report to Council Sept 2022
Maindy Park Trust, Cabinet decision as Trustee, March 2023

Counsel's advice in the matter of Maindy Park Trust dated 12th September 2022 (Exempt from publication under the Local Government Act 1972, Schedule 12A, Part 4, paragraph 16)

Councillors' guide to a Council's role as charity trustee:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/351608/council_as_charity_trustee_overview.pdf LGA and Charity Commission)

Charity Commission guidance, 'Managing conflicts of interest in a charity':

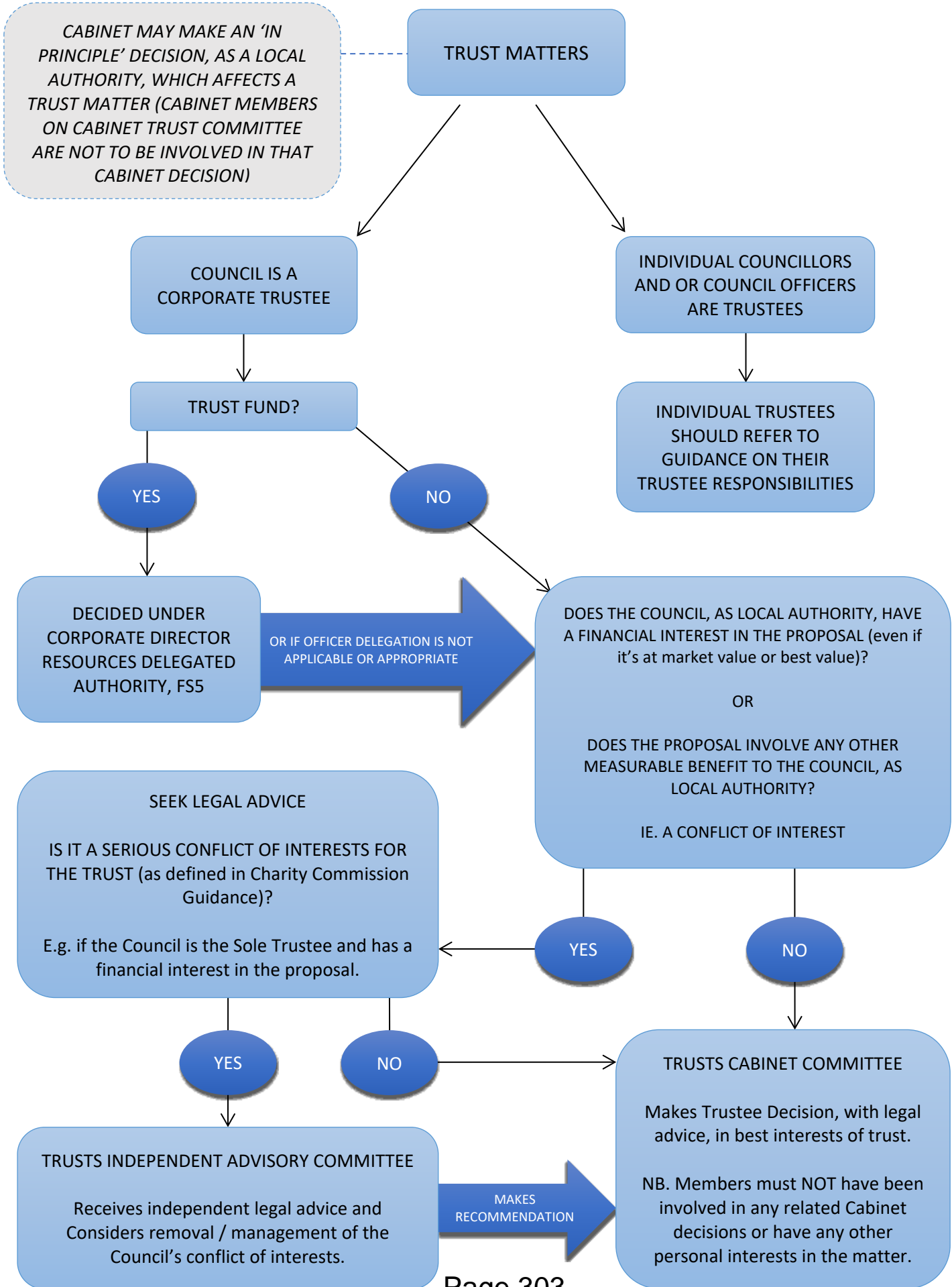
<https://www.gov.uk/guidance/managing-conflicts-of-interest-in-a-charity>
(summary)

Conflicts of Interest: a guide for charity trustees:

<https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29/conflicts-of-interest-a-guide-for-charity-trustees>

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**Trusts Decision Making – Flowchart
Appendix A**



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**CYNGOR CAERDYDD
CARDIFF COUNCIL****COUNCIL:****28 MARCH 2024**

REPORT OF THE DIRECTOR OF GOVERNANCE & LEGAL SERVICES

LORD MAYOR AND DEPUTY LORD MAYOR ELECT**Reason for this Report**

1. To receive nominations for the positions of Lord Mayor and Deputy Lord Mayor for the 2024 - 2025 Civic Year.

Background

2. The election of the Chair and Vice Chair of Council are determined by a vote of the Council at its Annual Meeting in May and nominations for these positions are sought from Party Groups to enable a recommendation to be made at the March Council meeting.
3. The Members appointed as Chair and Vice Chair are entitled to use the titles The Right Honourable the Lord Mayor and Deputy Lord Mayor respectively.

Issues

4. The purpose of this report is to seek the nomination of Members for election as Lord Mayor and Deputy Lord Mayor for 2024 - 2025 Civic Year.
5. It will be necessary for Council to formally elect the Lord Mayor and Deputy Lord Mayor at the Annual Meeting of Council.
6. Party Group nominations for these positions have been requested.

Legal Implications

7. The Local Government Act 1972 requires that the Chairman of the Council be elected annually and that the Vice Chairman be appointed annually. In neither case may that person be a member of the Executive. The Council has the

benefit of a Royal Charter permitting the Chairman and Vice Chairman to be known by the style and title of The Right Honourable the Lord Mayor and Deputy Lord Mayor respectively.

Financial Implications

8. Payments to civic heads are within the remit of the Independent Remuneration Panel. For 2024/25. Where remunerated, a civic head must be paid a Band 3 salary of £27,999, and a Deputy Civic Head must be paid a Band 5 salary of £22,406 with effect from the 1 April 2024. These costs will be met from within existing budgets.

RECOMMENDATION

9. It is recommended that the Council receive and consider nominations for the positions of The Right Honourable the Lord Mayor and Deputy Lord Mayor elect for the 2024 – 2025 Civic year.

DEBBIE MARLES
Interim Monitoring Officer
22 March 2024

Background Paper

[The Independent Remuneration Panel for Wales Report February 2024](#)

COUNCIL:

28 MARCH 2024

LEADER & CABINET STATEMENTS

1. Leader Statement – Councillor Huw Thomas
2. Housing & Communities Statement - Councillor Thorne
3. Investment & Development Statement - Councillor Goodway
4. Tackling Poverty, Equality & Public Health Statement - Councillors Bradbury and Sangani
5. Transport & Strategic Planning Statement – Councillor De’Ath
6. Deputy Leader & Education Statement - Councillor Merry
7. Social Services Statement - Councillors Mackie and Lister
8. Climate Change Statement – Councillor Wild
9. Culture, Parks & Events Statement - Councillor Burke
10. Finance, Modernisation & Performance Statement – Councillor Weaver

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COUNCIL: 28 MARCH 2024

LEADER STATEMENT

European Professional Club Rugby Finals Weekend 2025

On 31 January 2024, I attended the official announcement at the Principality Stadium, which confirmed that Cardiff will be the host city of the European Rugby Champions Cup and Challenge Cup Finals in May 2025. This followed a successful collaborative bid involving Cardiff Council, the Welsh Government and Welsh Rugby Union.

The two finals were last held in Cardiff in 2014 and were estimated to have generated an economic impact of £24m. As a more recent example, in 2022, the two finals were held in Marseille, France and generated an economic impact of c.£36m. The matches were also broadcast to 115 countries globally and watched by a cumulative audience of 5.7 million people. The economic impact for Cardiff and Wales in 2025 is expected to exceed this, particularly given the larger crowd capacity at the Principality Stadium.

Securing the hosting of the European Professional Club Rugby Finals Weekend in 2025 supports both our 'Stronger, Fairer, Greener' commitment to develop a new pipeline of major events in Cardiff, as well as the Corporate Plan 2023-26 commitment to work with event promoters and the city's cultural venues to rebuild the capital's event and cultural offer by working in partnership with the Welsh and UK Governments to attract new major international sporting events.

Severn Estuary Commission

As I outlined in my previous Council Statement in January 2024, the Western Gateway Partnership has established an independent [Severn Estuary Commission](#), which will consider the most appropriate use of the Severn Estuary's renewable energy potential and provide impartial and expert advice and recommendations to the Western Gateway Partnership Board, and in turn to the UK and Welsh Governments, on the feasibility of options for using the Severn Estuary to create sustainable energy as part of a UK-wide effort to achieve Net Zero.

The Commission was launched formally at an event held at the Pierhead Building in Cardiff Bay on 12 March 2024 and marked the first official meeting of the Commission and other key stakeholders. As Chair of the Western Gateway's Severn Estuary Steering Committee, I was pleased to attend and set out our expectations for the work of the Commission, which will be chaired by Dr Andrew Garrad CBE and brings together a range of experts, including Sue Barr, Peter Davies CBE, Chris Mills, Dr Nigel Costley and Dr Madeleine Havard.

The Commission will have an open remit to explore a range of options, including energy systems, financing options, socio-economic issues and how the environment can be protected, to determine their final recommendation. The Commission is expected to finalise its findings and make recommendations to the Western Gateway Board and the UK and Welsh Governments early next year.

South East Wales Corporate Joint Committee (CJC)

As I outlined previously in my Council Statement in January 2024, the Cardiff Capital Region (CCR) City Deal Joint Committee (the Regional Cabinet) and the South East Wales Corporate Joint Committee (CJC) have agreed to novate the City Deal funding agreement and project portfolio to the South East Wales CJC and, subject to final legal agreements, for the South East Wales CJC to take on responsibility for decision-making and implementation of the City Deal. The transfer of the CCR City Deal to the South East Wales CJC was finalised by both the CCR Regional Cabinet and CJC on 18 March 2024, which means that Cardiff Council will cease to be the Accountable Body for the CCR City Deal from 1 April 2024.

In advance of an update report to Cabinet this month on the South East Wales CJC, I was pleased to welcome CCR/CJC officers to a briefing for councillors in Cardiff on the transition process, which was held on 29 February 2024. A further report on the termination of the Joint Working Agreement and the implementation of any new arrangements will be considered by both Cabinet and Council in due course.

Nation of Sanctuary

I currently represent Cardiff Council on the Welsh Government's Nation of Sanctuary All Wales Strategic Oversight Board and was pleased to receive a letter this month from the Minister for Social Justice, Jane Hutt MS, which thanked the Council for its support and the outstanding work of council officers involved in delivering the Homes for Ukraine programme in Wales.

In the wake of Russia's invasion of Ukraine in February 2022, Ukrainian guests sponsored by the Welsh Government were initially accommodated in nine venues across the city, whilst long-term homes were found across Wales. In February 2024, we closed the last of these accommodation settings, with Cardiff supporting over 400 Ukrainian guests under the Welsh Government's Ukraine Super Sponsor programme to secure move-on accommodation in the city, more than any other local authority in Wales. Across all schemes combined, we have welcomed and provided initial reception support to over 1,200 Ukrainian nationals.

The Council is proud to have worked effectively to mobilise accommodation and support services, in collaboration with partners, to help our Ukrainian guests to settle in a new country and to find employment, many of whom have found work in sectors facing labour shortages, contributing to the Welsh economy and donating their skills to our city. Others have enrolled onto adult learning courses. Ukrainian children have also been welcomed into local schools and developed new friendships.

I am pleased that the Capital City of Wales, in its role as an important international gateway to Wales, has played a critical role in supporting the Welsh Government's ambition for Wales to be not only a Nation of Sanctuary, but a globally responsible and compassionate nation.

The Big Conversation at Cardiff University

I was invited by the Vice Chancellor of Cardiff University, Professor Wendy Lerner, to speak at one of the University's 'Y Sgwrs Fawr / The Big Conversation' events that was held on 20 February 2024. I was pleased to engage with University staff and academics as part of a discussion about the challenges and opportunities that the city faces, as well as the role that Cardiff University can play in shaping the city and improving the experiences of current and future citizens.

International Mother Language Day

I was pleased to join other councillors in attending and speaking last month at the annual event held in Cardiff to mark International Mother Language Day, which is held at the International Mother Language Monument at Grangemoor Park in Grangetown. International Mother Language Day provides an opportunity to celebrate the diversity that exists within Cardiff's communities, where over 100 different languages and dialects are spoken.

Commonwealth Parliamentary Association

I was pleased to welcome delegates who visited Cardiff this month as part of the Commonwealth Parliamentary Association UK office's Westminster Seminar on Effective Parliaments, which engages parliamentarians and clerks from across the Commonwealth in peer-to-peer learning. The seminar programme included a visit to Cardiff, which incorporated a day at the Senedd on 14 March 2024 to learn about the Welsh Parliament and Welsh Government's devolved responsibilities, as well as its relationship with Westminster. On 15 March, I was pleased to speak with one group of delegates at the Powerhouse Hub in Llanedeyrn at the invitation of the Member of the Senedd for Cardiff Central, Jenny Rathbone MS. I then met later with another group of delegates who had enjoyed a tour of Cardiff Castle and I was pleased to speak to them and answer questions about local government in Cardiff and the Council's relationship with the Welsh and UK Governments.

Councillor Huw Thomas
Leader of the Council
22 March 2024

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HOUSING & COMMUNITIES STATEMENT

Homelessness Update

Demand across our temporary accommodation gateways remains very high and there are currently almost 2,000 households in temporary, supported and hotel accommodation across the city. The Council also still has exclusive use of four hotels to provide emergency accommodation.

To ensure an ongoing response to this demand, we continue to increase the amount of temporary accommodation available. The Gasworks site in Grangetown is nearing completion and will accommodate our homeless families. In addition to this, I am pleased that fire safety works required at the Baileys Court family scheme in Adamsdown have been completed. These units have now been allocated to homeless families. In addition, a permanent site for those ready for move-on has also been opened within the city. This site will enable us to permanently accommodate up to 50 individuals, whilst freeing up much-needed supported accommodation.

Our emergency accommodation at Tŷ Olympian in Cardiff Bay has now closed, with eligible service users being allocated units across our Single Persons Gateway. Whilst there is a lot to learn from this project, given the scale of the housing crisis, the scheme was pivotal in reducing the number of rough sleepers in the city from approximately 50 to 20. The number of rough sleepers remains low and work is ongoing to ensure that we continue to engage with our rough sleepers.

Homelessness Prevention

There are currently just over 400 households being supported that are at risk of homelessness. The excellent partnership between the Housing Advice Team and Llamau is also continuing to support our homeless prevention work by providing an invaluable mediation service that supports families going through relationship breakdowns to help them communicate better and stay together. Since April 2023, 81% of households threatened with homelessness have been successfully prevented by our work to support customers to remain in their homes or find alternative accommodation. In addition, the number of young people accessing homeless prevention services continues to increase, with both of our Young Person's Prevention Officers nearing caseload capacity. Further work will be undertaken to understand why more young people are presenting and what we can do to address this.

I would like to thank all of the teams in the Homelessness and Housing Services for their continued hard work and dedication throughout this very difficult time for housing in Cardiff.

Refurbishment of Tŷ Ephraim

Refurbishment work on our temporary accommodation at Tŷ Ephraim will commence shortly. This will add kitchens to each unit of the accommodation so that residents can prepare their own food and develop their skills to live independently. This refurbishment will help us deliver on our commitment to provide high quality accommodation for those in housing need.

Housing Development Programme

Our new build housing development programme has delivered 190 new properties during the period from April 2023 to the end of February 2024. This takes the overall total delivery of new council homes in Cardiff to 1,039 to date. There are also a further 11 new build projects on site which, when completed, will significantly increase the number of new homes completed.

Addison House in Rumney – our new community living scheme, which has delivered 44 high quality, sustainable, low carbon apartments that support independent living for older residents – has been officially handed over to the Council. So far, 24 tenants have signed up to downsize into the scheme, thereby freeing up much-needed family accommodation in the city.

This is the first of 10 community living schemes that we are delivering through our new build programme. A further three new community living schemes are currently being constructed in Riverside, Butetown and St Mellons. Our construction partner for the new community living scheme at Leckwith Road in Riverside has also been nominated for a national award for achieving the highest score in relation to environmental impact/local community and workforce.

When all of our 10 new community living schemes have been completed, we will have invested over £200 million in delivering 620 new older person apartments across the city – housing that meets the needs and aspirations of older people and supports independent living.

The procurement process to appoint a partner developer to deliver around 2,000 new homes through our second Housing Partnership Programme has reached a milestone following completion of the Pre-Qualification stage and we have entered into competitive dialogue with three successful bidders. This process will be completed by the end of this year.

Leasing Scheme Wales

The Landlord Enquiries & Tenancy Support (LETS) Team has been working closely with landlords to encourage sign-up to the Leasing Scheme Wales, the Welsh Government-backed leasing scheme that offers guaranteed rental income for between five and twenty years. I am pleased that we have now reached our initial target of 67 properties on the Leasing Scheme Wales. Following this success, the scheme will be expanded to a maximum of 404 properties. The team will actively promote this scheme through a publicity campaign to local landlords in the new financial year.

School Holiday Activities at St Mellons Hub

The Community Volunteering Team worked with the Passport to the City Team and St Mellons Hub to arrange for a series of partners to deliver free activities and workshops for children and young people during the school half-term holiday last month. These included a broad range of activities from street dancing workshops with Little Gigs to tiny robot coding with the Curriculum Team, to an interactive opera performance of Snow White with the Royal College of Music and Drama. The team used these sessions as an opportunity to talk to parents and young people to gain feedback, which will inform the programme of volunteering activities being produced going forward. Based on this feedback, they will now be running a volunteer-led programme of activities at St Mellons Hub during the Easter school holiday period.

Visits to Hubs by Local Children's Author

Whitchurch, Llanishen, Penylan and Radyr Hubs have recently welcomed local children's author P.G. Bell to read some of his stories, as well as getting involved with colouring and literature related activities. P.G. Bell is the author of The Train to Impossible Places series, which was shortlisted for Waterstones Children's Book Prize in 2019, as well as other books and stories. These visits to our Hubs provided children with a fantastic reading opportunity that encouraged them to let their imagination run wild. The events were a huge success, with a large number of adults and children in attendance who also provided really positive feedback.

World War II Workshops

Llanishen Hub organised World War II workshops at Coed Glas Primary School, which included a World War II trail at Llanishen Cemetery, a visit to three war graves, and exploring the village hall where evacuees were sent. This was followed by a workshop at the Hub, which explored what happened in Cardiff and Llanishen during The Blitz. During the event, a local resident shared stories about his mother who is believed to have become the first female railway signalwoman in the UK and potentially worldwide. The workshops were supported by St. Isan Church, Cardiff Bereavement Services and Cathays Heritage Library, and really brought local history to life for the children who had a fantastic time visiting locations, examining documentation and learning how to carry out research.

Community Safety Update

Safer Streets Funding

The Community Safety Partnership has been successful in its bid for funding as part of Round 5 of the Home Office's Safer Streets Fund. The work supported by this round of funding will be focused in Adamsdown and Riverside, and is being targeted at reducing violence against women & girls and anti-social behaviour in these wards in line with Community Safety Partnership priorities. The Safer Streets funding has supported the provision of the following resources and initiatives:

- Six CCTV cameras;
- Dedicated resource for CCTV monitoring;
- Target hardening measures in a local park; and

- Virtual Decisions programme – using Virtual Reality (VR) technology as a preventative tool to reduce the risk of young people being victims of crime and violence.

The South Wales Police and Crime Commissioner's Office has also funded an initiative to reduce anti-social behaviour through motocross provision.

Elective Home Education Pilot Project

The Council's Community Safety Team, in partnership with our Education and Youth Services, has run a pilot project for parents and young people who are currently engaged in elective home education in Ely & Caerau. Community feedback from professionals and residents in Cardiff have highlighted concerns that individuals who are in elective home education are potentially more vulnerable to exploitation and criminal behaviours than those in mainstream education, as they lack access to awareness activities and information that would be provided by schools. There may also be less support or awareness of support services for parents and young people engaged in elective home education.

The pilot project, which delivered eight sessions in a community space, sought to provide those in elective home education with a variety of presentations and activities that could improve attendees' knowledge of potential safety risks. During the project, the families helped to plan and develop the sessions, with individuals sharing ideas of what they would like to achieve. The project included wide partnership involvement, with sessions being delivered by South Wales Fire & Rescue Service, South Wales Police, Cardiff & Vale University Health Board, Cardiff Youth Service's Digital Team and Corporate Apprenticeships.

The project was positively received by those who attended and families are keen for the service to continue. The outcomes of the pilot project are currently being evaluated and funding opportunities will be explored in order to support the continuation of the project.

Cardiff Strategic CCTV Meeting

A partnership meeting between the Council and South Wales Police has been established to better allocate CCTV resources to areas of concern as part of the management of the CCTV camera response to anti-social and criminal behaviour in the city. This meeting focuses on the data-led allocation and installation of funded CCTV cameras, the co-ordination and communication between partners and assets, and the response to received requests for CCTV. Since its establishment in late 2022/early 2023, the Cardiff Strategic CCTV Meeting has received more than 20 requests for CCTV provision across Cardiff, of which more than a third of requests have been supported. Of those requests which were not supported, the majority of locations have seen other measures implemented, such as increased patrols or improved lighting, to help tackle criminal or anti-social behaviour.

Serious Violence Duty

In response to the Serious Violence Duty, a draft Violence Prevention Strategy and delivery plan have been developed, which will be subject to consultation over coming weeks. An evaluation of progress will be undertaken at the end of the year in order to understand what works, identify improvements in data collection, and consider options for sustainable funding.

Street Based Lifestyles Group

The Terms of Reference of the Street Based Lifestyles Group are currently being reviewed and refreshed to ensure the focus of the group is accurate in terms of the current concerns affecting the cohort. The proposed primary priorities are substance misuse, homelessness, and safeguarding. A suicide prevention approach would be a supplementary priority of the group. Key actions for the group include ensuring that a harm reduction methodology is applied to all decision making, preventing drug use, adopting a continuous improvement methodology and problem-solving approach to supported accommodation, and utilising the Violence Prevention Strategy to identify and address risks associated with street-based lifestyles and violence.

Operationally, officers supporting work within the Street Based Lifestyles priority area have been focused on the wards of Butetown, Riverside, Adamsdown and Splott, and have undertaken the following key actions:

- Established a task & finish group in North Butetown to address resident and business concerns relating to drug use and anti-social behaviour outside the local primary school and church. The work of the group is ongoing and has good attendance from council services, local supported accommodation managers, South Wales Police and ward councillors. The group is working to improve drug paraphernalia reporting, knowledge and response, explore funding options to target harden locations, and scope community safety improvement measures, such as lighting and CCTV.
- Improved reporting mechanisms for Park Rangers across Cardiff for drug paraphernalia and other items relating to criminal activity.
- Implemented a problem-solving model in Tudor Street to address individual and community behavioural issues centred around a supported accommodation site. Following testing and evaluation, this model will be rolled out to other areas.
- Facilitated a quarterly meeting in Adamsdown/Splott to understand the concerns facing the community and to work with police and health services to address cross-cutting issues.

Problem Solving Group

The Problem Solving Group currently has no assigned project manager, but recruitment is underway and a project manager is expected to be in post by May 2024. The work currently undertaken by the Problem Solving Group centres around facilitation of conversation and action around low level anti-social behaviour in multiple areas of the city. Current projects relate to youth annoyance in Llanrumney, nuisance vehicles in Cardiff Bay, and anti-social behaviour in parks in Splott & Tremorfa.

In addition, the Problem Solving Group is in process of setting up a multi-agency meeting to better understand the current partnership position and response in relation to off-road and nuisance vehicles in the city. This meeting will concentrate on understanding actions taken in relation to enforcement, education, intelligence and safeguarding, and will support the development of a delivery plan outlining proposed partnership work in 2024/25. The Problem Solving Group will also focus on implementing the initiatives funded through Round 5 of the Home Office's Safer Streets Fund.

City Centre Group

The City Centre Group has recognised the need for a student-specific sub-group in relation to student safety within the night-time economy. The group has acknowledged that Cardiff has a large and growing student population, which has a positive influence on the city's night-time economy, and that students have specific challenges and vulnerabilities related to the evening and night-time economy. The first bi-monthly meeting to support student-specific safety needs took place on 29 February 2024.

The City Centre Group is also working with health partners to develop a harm reduction event specific to recreational drug use in the night-time economy. The event will focus on raising awareness and improving understanding of the principles of harm reduction, exploring where harm reduction approaches and strategies have been adopted and how this can be developed in a Cardiff context.

The Council is currently undertaking work as part of the City Centre priority area to understand and map cross-sectional work by our Community Safety and City Centre Management Teams within the city centre. This work will help to develop a more joined-up approach to tackling criminal and anti-social behaviour.

Councillor Lynda Thorne
Cabinet Member for Housing & Communities
22 March 2024

COUNCIL: 28 MARCH 2024

INVESTMENT & DEVELOPMENT STATEMENT

Recent Investments

Members will have undoubtedly read the news about Rolls Royce's decision to create 130 highly skilled jobs in Cardiff. The investment in St Mellons will support the ongoing UK Submarines Programmes and is the first phase of an investment that could potentially deliver thousands more jobs.

The Council has been actively working with the company, the developer, and other partners, to secure the investment in the city. As part of this process the Council hosted a trial recruitment fayre in City Hall, supported by Cardiff University and Cardiff and Vale College, which allowed Rolls Royce Submarines to meet local talent. The discussions with the company also cited the ambitions for a new station in St. Mellons was also a factor in attracting them to invest in the east of the city. Rolls Royce have also cited Cardiff Parkway as an ideal site for expansion in the future. This ties in with the ambition for the development which is to attract high-skilled, well-paid employment.

The decision by Rolls Royce to invest in St Mellons is a major boost not only for the economy of Cardiff and its city region but also Wales. Our involvement in this project shows our commitment to supporting much needed development in east Cardiff, as well as the confidence of businesses like Rolls Royce to invest in the area. The Council continue to work with Rolls Royce on their recruitment campaign in Cardiff which we hope will commence shortly.

We have also seen investment from existing occupiers in Cardiff too – including the opening of the new Welsh Headquarters for the BT Group in Cardiff this month. The new premises for 1,000 staff opened in the Capital Quarter development in the city centre and will become a hub for workers across the BT Group, including BT Business, Openreach and EE. The multimillion-pound investment in the city has secured a significant presence in the city for BT and reflects the fact that major employers are still keen to locate in Cardiff and is in addition to recent investment by companies such as Veezu who have recently moved into renovated space in Hodge House in Cardiff city centre as part of their expansion plans.

Our Economic Development team also continues to support a range of activities to support businesses and employers, ranging from loan funding to support the regeneration of the Grade II listed Custom House building on Bute Street to securing accommodation for a R&D spin-out from Cardiff University at our premises in CBTC. We have also recently hosted a large party of overseas Department for Business and Trade staff at an event at Cardiff Edge Business Park at Coryton to promote Cardiff as a destination for international life sciences businesses.

Cardiff was also represented at MIPIM this year, as ever supported by the city and wider city-region's business community. The delegation, including representatives from the Cardiff Capital Region promoted major investment opportunities in the city including commercial, residential and leisure developments.

To support local business, we are also hosting a seminar next month with the Department for Work and Pensions for up to 100 local companies to promote the in-work support available for workers in the city.

Economic Outlook

Further evidence of the confidence in our city can be seen in the proposed investment from Landsec, the owner of St. David's Shopping Centre. They have recently launched a consultation on proposals to transform the old Debenhams store into a new open-air square, with the intention to attract more people into the city centre.

This confidence is also mirrored by forecasts for the city's economy. In Avison Young's Cardiff Outlook, they predict that the city economy will outgrow both the UK and Welsh averages over forthcoming years in both jobs and GVA. The report which cites Oxford Economics forecasts, which highlights knowledge intensive services and leisure as key sectors. Indeed, it predicts double-digit growth for Cardiff's hi-tech industries and accommodation and food sectors. This aligns with our economic strategy which seeks to develop and attract well paid service sector jobs, and to support growth in our hospitality sector by investing in key infrastructure such as the new arena.

Shared Prosperity Fund

We continue to support businesses through the Cardiff Growth Fund and a number of new investments has seen a number of our SMEs invest in upgrading their premises, as well as supporting greener more energy efficient business. We would encourage businesses to apply for the grant which is funded by the Shared Prosperity Fund by searching online for the Cardiff Growth Fund.

Councillor Russell Goodway
Cabinet Member for Investment & Development
22 March 2024

TACKLING POVERTY, EQUALITY & PUBLIC HEALTH STATEMENT

PUBLIC HEALTH & EQUALITY

Childhood Immunisation Information

I am pleased to announce that, whenever a birth is registered in Cardiff, parents will now receive information leaflets on childhood immunisations within the birth pack provided by the Council's Registration Service. This is a result of collaboration between the Council and the Cardiff & Vale Local Public Health Team. The original Welsh and English documents have also been translated into Bengali, Polish and Arabic to ensure that these leaflets will be read and understood by as many families in the city as possible.

This is a great example of our multi-agency 'Amplifying Prevention' work to improve health outcomes in an identified priority area for the Cardiff and Vale of Glamorgan region. It is important that all children and babies are fully immunised to protect them from potentially serious diseases. Once common illnesses, such as diphtheria and tetanus, are now rare in the UK because of immunisation. However, whilst polio has been eliminated in Europe, the threat of other diseases, such as measles and meningitis, has not gone away in the UK today. I would urge parents with any worries or queries about any aspect of their child's immunisations to discuss them with their doctor, health visitor, practice nurse or school nurse.

National No Smoking Day

National No Smoking Day took place on 13 March 2024. The day provides an opportunity to reach out to friends or family members who suffer from nicotine addiction. No Smoking Day encourages smokers to stop smoking, raises awareness of the health risks associated with smoking, and inspires a movement towards a smoke-free world. Smoking does a lot of harm to the circulation of blood around the body, particularly the blood vessels in the brain, as well as the heart and lungs, and increases the risk of cancer, cardiovascular disease and other diseases such as dementia. It's never too late to quit smoking. Stopping smoking is the best thing you can do for your health, and the health benefits start straight away. People are also four times more likely to stop smoking by using an NHS Stop Smoking Service than if they try to quit alone. Further information is available from Help Me Quit (<https://www.helpmequit.wales/>); NHS Live Well (<https://www.nhs.uk/live-well/quit-smoking/>) or by visiting a local pharmacy and asking for more information about quitting smoking.

Lunar New Year Market Event

It was an honour to attend and celebrate the spirit of the first Lunar New Year celebration in Cardiff, which was held at Grange Pavilion in Grangetown on 27 January 2024. This marked the third year of the Hong Kong British Nationals (Overseas) welcome programme and it's great to see more Hongkongers choosing Wales as their new home. The event was organised by the Wales Strategic Migration Partnership and Hongkongers in Britain (Cymru) and supported by the Council's Community Cohesion Team. Grange Pavilion was colourfully decorated, with display boards around the market featuring information about Hong Kong's history and culture stalls from a variety of Hong Kong vendors and organisations, as well as from groups and organisations representing the diverse demographic of Cardiff.

Indian Society of South Wales Republic Day Celebrations

The Indian Society of South West Wales invited me as their chief guest speaker in celebrating India's 75th Republic Day event in Swansea on 3 February 2024. Republic Day commemorates the adoption of the Constitution of India, and the country's transition to a new democratic and sovereign Republic on 26 January 1950, after having gained independence from Britain in 1947. It is one of the most important days of the year for 1.4 billion people in India, as well as the millions of people of Indian heritage living around the world, including here in Wales. This was a great event and opportunity for the local Indian community to come together to show how proud they are of their heritage and culture. The event also helped to build new friendships and strengthen existing relationships in celebration of everything about that is good about both India and Wales.

Somali Community Socio Economic and Well-being Conference

I joined the Leader of the Council in attending the Somali Community Socio Economic and Well-being conference held at Channel View Leisure Centre on 5 February 2024. Keynote speakers included the South Wales Police and Crime Commissioner and Welsh Government Minister for Social Justice. The conference brought together senior leaders from across the public and third sectors and round table discussion provided an opportunity to hear first-hand on the need for focused actions on how we need to work together to close the inequalities within the Somali community.

International Day of Women and Girls in Science

I was also pleased to attend and speak at an event held on 5 February 2024 at the University of South Wales in support of International Day of Women and Girls in Science, which takes place annually on 11 February. Championing diversity and encouraging young females from under-represented backgrounds to pursue careers in science is not just about addressing a disparity; it's about unlocking untapped potential and fostering innovation. By actively engaging with women and girls from under-represented groups, providing mentorship, access to resources, and exposure to diverse role models, we can break down barriers to education and employment and instil them with confidence and belief that they belong in the world of science.

International Women's Day 2024

I was pleased to attend the International Women's Day event on 8 March 2024 that was organised by the Council's Women's Employee Network. International Women's Day serves as a powerful reminder to celebrate the achievements of women and raise awareness about the ongoing challenges they face. The Women's Employee Network plays a pivotal role in shaping the workplace into an inclusive and supportive environment for everyone.

Iftar Dinner

I attended an Iftar Dinner on 17 March 2024 following an invitation by the Ahmadiyya Muslim Association in Cardiff. Iftar, which is observed during the holy month of Ramadan, is a significant moment for Muslims worldwide. As the sun sets, fasting individuals break their day-long fast with this special meal. It symbolises both physical nourishment after hours of abstinence and spiritual reflection. Families and communities come together to share food, express gratitude and strengthen bonds. Beyond sustenance, Iftar embodies compassion, generosity and the joy of communal worship.

Codi Cymru / Black Lives Matter Wales Exhibition and Conference

I joined my Cabinet colleague, Councillor Mackie, and council officers in attending a Codi Cymru / Black Lives Matter Wales exhibition and conference that was held at St Fagan's National Museum of History on 21 March 2024. The conference also marked the United Nations International Day for the Elimination of Race Discrimination and helped to raise awareness about racial injustice, promote dialogue and encourage positive change. It featured thought-provoking exhibits, inspiring speakers and engaging workshops and provided an important opportunity for individuals and communities to come together, share experiences, and explore ways to combat systemic racism in Wales.

Food Strategy

Grant funding secured from the Cardiff Capital Region's Sustainable Food Challenge aims to identify and support projects that can harness the potential of land, technology and people to increase the sustainable production and supply of locally grown food in the Cardiff Capital Region.

Fareshare Cymru, the biggest redistributor of surplus food from the food industry in Wales, secured funding to trial the production of healthy, sustainable ready meals made from surplus food after successfully moving to the next phase of the Sustainable Food Challenge. Currently, the charity cannot utilise all the food they have access to.

Production in the 'Redistribution Wales Kitchen' started one day per week in the kitchens and additional facilities at Cardiff and Vale College, with the aim of scaling up at a later stage. The meals produced all contain two of the '5 A Day' fruit and vegetables for a healthy, balanced diet and will be entirely vegetarian.

In the first two months of this year, they provided over 1,900 meals using surplus food, which has gained positive feedback from community food programme participants. To help produce these meals, they have worked with 11 charities and community groups, resulting in 91 volunteer hours being contributed. In addition, seven partner organisations have provided critical support in various aspects of meal production, including supplying additional ingredients, meal preparation, nutritional analysis, and training. Phase 2 of the project is currently underway and will be focusing on piloting the meals using metal containers.

TACKLING POVERTY & SUPPORTING YOUNG PEOPLE

Advice Service

The Advice Service continues to see a significant increase in people accessing services since the New Year, with the number of people seeking help from the Advice Line exceeding 2,900.

With the commencement of the Universal Credit Migration in Cardiff, the Advice Service has launched a publicity campaign to raise awareness of the changes and highlight support available to those affected. Social media and press releases in local media is being used promote the help on offer. Since the launch of the campaign in January 2024, over 900 customers have been supported with Universal Credit queries. I would like to thank the teams for their continued hard work and support that they provide during these difficult economic times.

The Money Advice Team has also surpassed their 2023/24 KPI target for total benefits identified of £17million, with almost £1 million identified last month, taking the total to almost £19million.

Into Work Advice Service Youth Provision

Last month, the Bright Futures Team worked with the Personal Advisor Service (Post 16 Leaving Care Team) to facilitate an NHS careers information workshop. This provided an opportunity for care-experienced young people to have a discussion with representatives from the NHS to discuss any barriers into employment they have experienced. It was also a chance for the young people to learn about the wide variety of possible careers in the NHS and discuss their own aspirations. Following this session, the NHS is now the latest business to partner with the Council's Bright Start Traineeship Scheme to offer care-experienced young people supported work placements. The group of nine young people who attended the workshop have all been offered the opportunity to complete a six-month Bright Start placement in the NHS, starting with a site tour next month. The Bright Futures Team has also been in discussions with the Department for Work & Pensions (DWP) about the difficulties that care-experienced young people face when trying to secure careers in sectors such as the Civil Service. The team will be facilitating a consultation workshop for DWP officials to speak directly with young people about their experiences and think about possible solutions.

Cardiff Refugee Jobs Fair

The Into Work Advice Service held its first Cardiff Refugee Jobs Fair in partnership with Cardiff University on 28 February 2024. The event provided over 500 refugees in Cardiff with an opportunity to meet with employers and support providers to find employment and explore pathways into work. Support organisations were also in attendance to offer advice and guidance on barriers to employment. A total of 18 refugee-friendly employers were in attendance, including McDonalds, Cardiff Bus and Holiday Inn amongst others, and offered live vacancies on the day. Seventeen support providers were on hand at the event, including various council services, the national Refugee Employment Network charity and targeted third sector organisations. The event was widely praised by exhibitors and attendees alike.

Cardiff Play Service

Cardiff Play Service has expanded delivery into new areas across the city and has worked in partnership with colleagues from Early Help to increase available resources and the number of sessions provided. Some examples are set out below:

- New play sessions at Riverside Warehouse in response to local ward members' requests for additional play support in the Riverside area of the city, weekly play sessions are now available.
- Collaboration and delivery of a more joined-up service across temporary accommodation, which has ensured that there is now support for babies and children of all ages, from birth to 14 years.
- As part of workforce development, Play Service staff have been able to access the Early Help Workforce Development Training programme. This has been very successful, enabling Play Service staff to expand their professional knowledge and skills in best practice approaches.

In addition, the Play Service continues to provide play services across the city, including several sessions that were provided during the school half-term holiday last month, which were attended by a total of 396 children. I am pleased to see the Play Service continue to go from strength to strength and look forward to seeing future development of the service.

Cardiff Youth Service Update

Cardiff Youth Service continues to develop a new model of youth work in Cardiff and are currently consulting with staff and trade unions in re-shaping the service to meet the changing demands of young people and communities within Cardiff. During this time, work continues to support communities with open access youth work in our youth centres and through our street-based provision. In addition, the Youth Service continues to support young people through a range of targeted interventions, including one-to-one youth mentoring support and curriculum-based project work that supports the work of our schools and our wider communities. Further information about the activities being provided by the Youth Service during the Easter holiday period can be found at: <https://www.cardiffyouthservices.wales/index.php/en/events>

BBC Crimewatch Live

Earlier this month, the Council's Principal Youth Officer, James Healan, appeared on BBC Crimewatch Live to talk about the positive impact that a trail-blazing Virtual Reality (VR) initiative is having on young people across the city. Virtual Decisions is a preventative tool created by Round Midnight, which aims to reduce the risk of young people being victims of crime and violence. It provides young people with an immersive VR experience allowing them to navigate a series of challenging situations and make critical decisions in a safe and controlled virtual environment. Crimewatch Live presenters Rav Wilding and Michelle Ackerley also tried out the VR headsets and were impressed by the engaging technology.

The hands-on VR approach explores topics such as gangs, grooming, peer pressure, and substance misuse and equips participants with the knowledge and skills necessary to make the best choices for their future, in real-life scenarios. It has so far been rolled out to more than 200 young people in Cardiff and is supported by an excellent 12 session curriculum pack that lets young people learn informally at their own pace. Positive feedback from secondary schools across the city has highlighted the effectiveness of the project, which has been shaped using the views of young people. Those who have taken part have enjoyed the programmes, saying that they met their needs by giving them more awareness of the signs of grooming, exploitation and the impact their actions could have on individuals, their families and communities.

Youth Work Excellence Awards

Cardiff Youth Service, for the second year running, won the Digital Innovation Award at the Youth Work Excellence Awards 2023, which were held on 22 February 2024 in Llandudno. The team won the award for the Cardiff Content Creators programme, which saw young people from Carlsbad High School in California visit Cardiff last summer as part of a youth exchange programme. They helped to peer mentor young people in Cardiff and helped them to develop new skills in broadcasting and filming techniques, as well as life skills and confidence which they have transferred to other aspects of their education.

Cardiff Youth Service was also shortlisted as a finalist in a further three award categories at the Youth Work Excellence Awards 2023. These included the Ely & Caerau Youth Work Team in the 'Demonstrating excellence in partnership planning and delivery at a local level' category; the CFTi project in the 'Welsh language innovation' category, and Caroline Miles from Cardiff Youth Service in the 'Leadership' category. Whilst these other finalists did not win, it demonstrates the level of innovation and creativity within the Youth Service, and its efforts to strive consistently for excellence and to deliver sector-leading practice.

California Youth Exchange

Staff and young people from Cardiff Youth Service are currently visiting California as part of an international youth exchange. They have been invited to attend a broadcasting & filming conference and have subsequently won a broadcasting excellence award for their work in creating a digital content programme called the 'Butetown Buzz'. This has provided young people with an opportunity to create stories and content that celebrate their contributions to their communities.

The young people from Cardiff have also been involved in presenting on Carlsbad High School's own TV channel, undertaking interviews with students and community members, and creating content for the TV channel during their action-packed visit. This is a life-changing experience for young people from Cardiff who will continue to develop this relationship with our American partners.

Operation Sentinel

Cardiff Youth Service continues to support the Operational Sentinel programme, which is funded through the Home Office to address anti-social behaviour within identified areas throughout the city. Youth workers have delivered street-based interventions, building working relationships with young people, whilst also providing information, support and guidance to those young people presenting for support. The data provided by the Youth Service will contribute to wider data collection from South Wales Police in identifying areas within our communities that require further support. We hope to continue this work in the 2024/25 financial year and further support young people and the communities in which they live.

Councillors Julie Sangani & Peter Bradbury
Cabinet Members for Tackling Poverty, Equality & Public Health (Job Share)
22 March 2024

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TRANSPORT & STRATEGIC PLANNING STATEMENT

Bus Priority Plan for Cardiff

Bus priority in the city is being supported through the introduction of a new Bus Priority Plan for Cardiff. The plan has designated six key bus corridors for development and delivery over the next six years. Each corridor will be subject to assessment and funding, and the overall Bus Priority Plan will be subject to a public consultation in summer 2024.

Electric Buses

I am pleased to share that Cardiff Bus has recently taken receipt of 19 new electric buses. These have been grant funded by Cardiff Council through an allocation from the Welsh Government. The buses are currently being fitted out locally with additional equipment required for service, such as CCTV cameras, and will soon be rolled out throughout the city. This will increase the overall number of electric buses in service from 36 to 55, and further infrastructure has been installed at the company's Sloper Road depot to provide the fleet with solar-generated charging sources. This represents a positive step forward in achieving our goal of providing cleaner, greener and more efficient buses in Cardiff.

Real Time Information in Bus Shelters

Phase 1 of the replacement of the electronic real time information displays in bus shelters has been completed, with 170 new displays having been installed throughout the city. Phase 2 of the project will be subject to a competitive tendering process, which is estimated to be completed by the end of next month. Installation of the new displays, which is predicted to be about the same number as in phase 1, will commence in autumn 2024 for completion by the end of the 2024/25 financial year.

Taxi Strategy

Work has commenced with our appointed consultant, AECOM, on the formulation of a new Taxi Strategy for Cardiff. This strategy will focus on enhancing the taxi offer in Cardiff for the benefit of both taxi drivers and passengers by reviewing current provision and usage; gauging public opinion, and identifying options for the improvement of rank spaces across the city and provision of future electric vehicle charging facilities for use by the taxi trade. This work will also include a benchmarking review of other cities and advice on technological advances. Engagement will be undertaken with the taxi trade and public over the coming months in advance of a report being finalised in summer 2024, which will then be reviewed by the Council.

City Centre East Transport Scheme

Work is nearing completion on the City Centre East and Churchill Way Canal Project. The scheme is expected to be completed early next month with the opening of a new segregated cycleway on Station Terrace and Bridge Street, which will connect the main cycleway network into the core retail centre.

Cardiff Walking and Cycling Index

I was pleased to attend and speak at the launch of the Cardiff Walking and Cycling Index 2023 on 15 March 2023, which was organised by Sustrans Cymru in partnership with Cardiff Council. The Walking and Cycling Index is the biggest assessment of walking, wheeling and cycling in urban areas in the UK and Ireland, and is produced every two years by Sustrans in collaboration with 23 cities and urban areas. Work to develop the 2023 Cardiff Index included an independent survey of 1,169 residents aged 16 or above. The event provided an opportunity to consider the findings of the 2023 Index, highlight the investment in new active travel infrastructure in the city and discuss the barriers to active travel participation for different communities.

Active Travel to School

Christ the King Primary School in Llanishen has recently secured a 'park & stride' agreement with the Manager at Lisvane & Llanishen Reservoirs Visitor Centre that allows parents to use the Visitor Centre car park free of charge at school drop off and pick up times. Year 5 children at the school led an assembly on active travel and the new 'park & stride' agreement. They also designed a parking permit to be displayed in parents' vehicles, which has been provided to every family. Pupils are committed to promoting active travel and logging their journeys daily using the Wow Travel Tracker, with the aim of increasing physical activity and reducing vehicle congestion on Everest Avenue and the surrounding areas during peak times.

The meeting with the Visitor Centre Manager also inspired conversations about the activities provided by Welsh Water at Llanishen Reservoir, and the school is keen to use the reservoir for their kayaking events in future. In previous years, the school would have transported the children by bus to the International White Water Centre in Cardiff Bay, but the children will now be able to walk to their local water sports facility, thereby reducing carbon emissions and transport costs for parents.

Highways Repairs and Resurfacing

The continued adverse weather, especially the prolonged periods of intense rainfall, has put significant and continued pressure on the service and, more specifically, on the city's roads. The Highway Operations Teams continue to address potholes and other identified defects, with the number of reports of potholes alone having doubled between January and February 2024 as the weather continued to take its toll. To help counteract the deterioration, the Highway Asset Team and employed contractors have, in addition to reactive repairs that have been completed, undertaken localised improvement works between December and February 2024, which included 2,852 square metres of localised carriageway surfacing and 1,962 square metres of localised footway surfacing.

Programmed works for March 2024 include 1,800 square metres of carriageway and 1,400 square metres of footway. The total programmed localised surfacing investment for this period is circa £460,000. In addition, a programme of large-scale resurfacing and surface treatment works to both carriageways and footways has been – and continues to be – delivered across the city.

Registration Services

The Registration Service has settled in very well at the Glamorgan Archives building off Sloper Road in Cardiff. Feedback from customers has been very positive, with reasons such as good accessibility, facilities and free parking on-site being cited. As a result of the relocation of the service, births are also now registered at Llandaff North Hub on Mondays; Central Library on Tuesdays; Ely Hub on Wednesdays, and St Mellons Hub on Thursdays. Taking the service into the heart of local communities at these Hubs has been very well received, especially by parents with young babies who no longer have to travel into the city centre to register births.

Councillor Dan De’Ath
Cabinet Member for Transport & Strategic Planning
22 March 2024

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COUNCIL: 28 MARCH 2024

DEPUTY LEADER & EDUCATION STATEMENT

Universal Free School Meals

Universal Primary Free School Meals have been rolled out to Reception and Years 1-4 in Cardiff schools in line with Welsh Government expectations. A recent successful bid for additional capital funding from the Welsh Government for kitchen works and catering equipment has enabled the rollout of the programme to continue. Year 5 pupils will receive Universal Primary Free School Meals from 8 April 2024 and Year 6 pupils will receive them from 3 June 2024, which will ensure that the rollout is completed by September 2024 in line with Welsh Government expectations.

Secondary School Places 2024

Offers of secondary school places were issued on 1 March 2024. With 17 of 18 secondary schools in Cardiff now part of the Council's co-ordinated admissions system, the improvements that have been made to ensuring that applicants receive an on-time offer are highlighted by the following KPI data:

- 100% of applications received online for the second year running.
- Children securing their first preference for a community secondary school place was up to 88% from 86% last year and 82.4% in 2021.
- Children securing one of their preferences applying for a secondary school place (community or co-ordinated) was up to 95.1% from 93.8% last year and 92.3% in 2021.
- Children securing one of their top 3 preferences for a community secondary school place was up to 98.7% from 98% last year and 91.7% in 2021.

The only duplicate offers remaining in the system will be with St Illtyds Catholic High School which manage its own offers outside of the co-ordinated admissions system.

Overall, there was a significant decrease in catchment refusals this year, with Cardiff High School seeing a 74% reduction, with only 20 catchment pupils refused compared to 78 last year. Similarly, there was a 45% reduction in the number of catchment applicants refused this year for Fitzalan High School, with 43 catchment pupils refused compared to 78 last year. There were 12 catchment refusals for Ysgol Gyfun Gymraeg Glantaf. Of these, 10 pupils have received an offer in one of the other two Welsh Medium High Schools and 2 pupils currently remain without an offer. There are 18 places remaining in Welsh Medium High Schools in Cardiff (6 at Ysgol Gyfun Gymraeg Plasmawr and 12 at Ysgol Gyfun Gymraeg Bro Edern).

Whole School Approach to Emotional Health and Well-being

Good progress is being made with rolling out the implementation of the Whole School Approach to Emotional Health and Well Being, with a focus on schools with secondary-aged learners. As of 7 March 2024, 91% of Cardiff schools with secondary-aged learners are completing a self-evaluation tool. Progress with primary schools/primary special schools is also gathering pace, with 51% now in the process of completing the self-evaluation tool. An event showcasing the Whole School Approach to Emotional Health and Well Being was held on 18 March 2024 for schools with secondary-age learners in Cardiff and the Vale of Glamorgan in order to share good practice and provide opportunities for schools to meet with partner organisations that can support emotional and mental wellbeing within their school.

Ein Dinas: Ein Hiaith / Our City: Our Language Website

The [‘Ein Dinas: Ein Hiaith’ / ‘Our City: Our Language’ website](#) is an exciting and innovative joint initiative by the Council’s Welsh in Education Strategic Plan (WESP) and Bilingual Cardiff Teams. The new website, which has been referred to as ‘a one stop shop’ for all things Welsh in Cardiff, aims to encourage everyone to explore all the various and increasing opportunities to learn and use the Welsh language in the capital city.

Last month, a competition was held to name the dragon that is the main character of the website. Hundreds of entries were received from the city’s schools and Annabel (Year 1) from Whitchurch Primary School was announced the winner by the Leader of the Council in his St David’s Day message to the city. Annabel named the dragon, Tesni, and explained that she chose the name because it means warmth of the sun, and the dragon on the website looks so warm and friendly. It was a real privilege to present Annabel with her prizes – a Lego dragon and a red dragon hand puppet – at her school’s St David’s Day Eisteddfod. In addition, her class will have the opportunity to visit Cardiff Castle for a guided tour where Tesni the dragon lives.

Whitchurch Primary School has already secured the Siater Iaith: Cymraeg Campus Silver Award and will be assessed for the Gold Award in the Summer Term. I would like to commend the school’s staff and pupils for their dedication to the Welsh language and wish them all the best with their Gold Award assessment later this year.

Ysgol Gynradd Groes-wen Primary School

Earlier this month, I was pleased to attend the official opening of Ysgol Gynradd Groes-wen Primary School, located within the Plasdŵr development in north-west Cardiff. The £9million primary school is the first of its kind in Cardiff and Wales, providing a dual language stream and a Welsh-medium stream. The dual language stream will consist of 50% Welsh and 50% English, known as a 50/50 split. In addition, there is a 96 place part-time nursery provision, which is supported by a Cylch Meithrin offering wrap around provision. The Cylch will also operate an afterschool club for pupils. The new school supports Cardiff’s aspirations to grow the Welsh language and develop bilingualism within a modern learning environment, which ensures that children and young people receive the best possible education.

Fairwater Campus

A ground-breaking ceremony was held on 8 February 2024 to mark the start of construction of the new Fairwater Campus. The £110m project is the largest in scale and investment of the education developments being delivered as part of the Council and Welsh Government's Band B Sustainable Communities for Learning Programme in Cardiff. The development will include the construction of three new build schools for Cantonian High School, Riverbank School and Woodlands High School, which will all be located on a single site. I was pleased to join the former First Minister, Mark Drakeford MS, and the Leader of the Council at the event, alongside the Head of School and Chair of Governors at Cantonian High School, and the Executive Headteacher and Chair of Governors of the Western Learning Federation, which includes both Riverbank School and Woodlands High School. The development will be Net Zero Carbon in line with Welsh Government standards and will set the standard for future Cardiff school projects. Each of the three new school buildings will be highly energy efficient and powered from renewable energy sources.

Ysgol Cynefin

The Council has selected Kier Construction as the preferred bidder to design and construct new accommodation for Ysgol Cynefin, which was formerly known as The Court School. Ysgol Cynefin translates to 'habitat school' and was chosen by the school and key stakeholders to encompass the relationship between people and the natural world, and how connecting people to surroundings can shape a sense of identity and wellbeing.

The £23m project will increase the capacity of the school by relocating and providing new build school facilities across two sites in the city – one to the south of the existing Fairwater Primary School site and the other to the south of Pen Y Bryn Primary School in Llanrumney on the former St Mellons Church in Wales Primary School site. The new school will grow from 42 to 72 places, with 36 pupils on each site from the 2025-26 academic year, helping to meet the city's demand for primary age specialist provision. Both sites will also boast a range of comprehensive facilities including multi-use games areas, sports and soft play areas, sports pitches and horticultural areas. The project will provide state of the art facilities that will enhance teaching and learning for the most vulnerable children in the city and will be completed by autumn 2025.

Edible Playgrounds

The Edible Playgrounds programme continues to spread its branches across more Cardiff schools, transforming primary school playgrounds, introducing food growing areas, trees, green infrastructure and natural play and learning features. A total of 7 schools (Fairwater Primary School; Holy Family Roman Catholic Primary School; Oakfield Primary School; Rumney Primary School; Springwood Primary School; St Paul's Church in Wales Primary School, and Ysgol Glan Ceubal) have benefited from the Edible Playgrounds programme in 2023/24, which has seen nearly 30 Cardiff schools participate in the programme since it began in 2019. In 2024/25, we hope to see more schools benefitting from edible playgrounds, with the programme extending to secondary schools and more partners in sustainability becoming involved.

Liquid Trees Project

As part of the Council's work to promote sustainability, environmental awareness and climate education in the city's schools in line with our One Planet Cardiff strategy, Cardiff is the first Local Authority in the UK where algal bioreactors or 'liquid trees' have been offered to all schools. The Curriculum Team is working with Our Classroom Climate as part of the 'liquid trees' project in Cardiff schools, which is teaching children and young people about carbon capture to combat climate change. The 'liquid trees' have been designed by Our Classroom Climate as part of its climate education programme. They are algal bioreactors, which are not only simple to maintain and manage, but they also have the capacity, subject to optimum conditions, to capture CO2 up to 400 times faster than traditional trees. Pupils can also watch the algae improve the air quality in their classrooms and know that they are playing an important part in tackling climate change. More importantly, these 'liquid trees' are a great, hands-on, interactive educational tool that helps to put environmental education quite literally at the heart of the classroom experience in Cardiff.

Rights Respecting Schools Gold Award

I was invited to join St Joseph's Primary School for their celebration of attaining the Rights Respecting Schools Gold Award, which is a testament to their unwavering commitment to embedding children's rights at the heart of their educational ethos. The innovative approaches taken by pupils and staff, including their engagement with the School Senedd, participation in Super Ambassador Special Missions, and advocacy for global citizenship, exemplify the profound impact of integrating the United Nations Convention on the Rights of the Child into every facet of school life. It is clear that the school not only champions the rights of its pupils, but also empowers them to become advocates for social justice and fairness, both locally and globally. St Joseph's Primary School's achievement take the number of schools attaining the Gold Award in Cardiff to 20, with 32 others at the Silver Award level, making Cardiff the best in the country.

Cardiff Commitment

The Cardiff Commitment Team is working with Cardiff & Vale University Health Board to develop supported employment pathways for Children Looked After from Eastern High School. In response to this work, I am pleased to confirm that the Council's Flexible Supported Employment Pathway scheme, which is delivered by the Cardiff Commitment Team in partnership with the Post 16 ALN Team and Education Catering Service, has been shortlisted as a finalist for two national awards – the Public Sector Catering Awards 2024 (in the Training and Apprenticeship award category) and the Springboard Awards for Excellence 2024 (in the Disability Champion award category). The winners of both awards are due to be announced next month.

The Cardiff Commitment Team has also launched Shape My Street project for the second successive year. This is a collaborative project between the Welsh School of Architecture, Cardiff Primary Schools and construction partners, which explores how creativity and design skills contribute to shaping communities and how the social value commitment of contractors can be utilised to support projects in schools.

Junior Chef Academy

The Junior Chef Academy, delivered by Compass Cymru in collaboration with Cardiff and Vale College as part of a Cardiff Commitment-led initiative, provided a 10-week intensive programme for students from Cardiff West Community High School to develop culinary skills and an understanding of careers in the hospitality industry. This initiative forms part of a broader hospitality sector project at Cardiff West Community High School to help provide career and work related experiences for students. The programme combined theoretical knowledge with practical skills and covered a range of areas, including knife skills, salads and healthy eating, bread, meat, fish dishes, poultry and desserts. It culminated in a graduation event held on 6 February 2024 at Cardiff City Stadium where those budding young chefs who participated in the programme were able to showcase their new skills by designing and preparing a three-course meal that was served to an audience of more than 40 guests, including parents, carers, college and school representatives and local authority dignitaries. Each graduate was honoured with a certificate, a set of chef knives and a goody bag with the generous support of Compass Cymru. The programme was also sponsored by Brakes who provided the food and chef whites.

Passport to the City

As the annual Schools Lego League approaches, over 30 schools in the city are preparing their students for the final competition in June 2024. Students are engaging with the Curriculum Team to hone their engineering and coding skills for a series of challenges that promote creativity, teamwork, and problem-solving. This initiative emphasises the importance of STEM education and fosters innovation among students.

The Curriculum Team is also connecting students with local heritage, such as in the Gabalfa area, including visits to Glamorgan Archives to explore the community's history. Working in collaboration with Unify Creative, students are designing a mural that blends past and future aspirations for their community. Similarly, in Llanishen, students have partnered with Cardiff University's Geography Department to influence the new Local Development Plan to help create a child friendly city that reflects their needs. In addition, the Curriculum Team is working in collaboration with UCAN Productions to support eight visually impaired students as they seek to achieve an arts award.

The Passport to the City Team, in partnership with IoN Gym and Riverside Warehouse, is offering workshops to promote physical fitness, discipline, and excellence. The team also collaborated with the Community Volunteering Team and St Mellons Hub to provide a week of free activities and workshops for children and young people during the school half-term holiday last month. These initiatives highlight the Council's commitment to providing diverse and enriching experiences for children and young people in Cardiff and supporting them to contribute positively to their communities and beyond.

Councillor Sarah Merry
Deputy Leader & Cabinet Member for Education
22 March 2024

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COUNCIL: 28 MARCH 2024

SOCIAL SERVICES STATEMENT

ADULT SERVICES

Neurodivergent Friendly Cardiff Awareness Day

I was delighted to chair our Neurodivergent Friendly Cardiff Awareness Day at the Cardiff City Stadium on 19 March, which was opened by the Leader of the Council and the Deputy Minister for Social Services. The event was held as part of Neurodiversity Celebration Week and followed the motion, proposed by Councillor Jamie Green and seconded by Councillor Sara Robinson, which was agreed unanimously by Council in September 2023 and has been a catalyst for our work to make Cardiff a more neurodivergent-friendly city, supported by the development of a new city-wide strategy.

I would like to thank everyone who attended our first Neurodivergent Friendly Cardiff event, including my Cabinet colleagues, Councillors Merry and Lister, and so many other stakeholders. It was really pleasing to see so many fellow councillors, senior managers, public service partners, health and social care staff, HR professionals and the most important stakeholders of all, neurodivergent people themselves to enjoy a packed programme.

The programme for the day included contributions from Councillor Sara Robinson, council officers, BBC broadcaster Eleri Morgan, Dr Catherine Jones from the Wales Autism Research Centre, and Professor Amanda Kirby who is an internationally renowned authority in the field of neurodiversity, together with a mix of other excellent speakers who provided us with a full day that was very informative, entertaining and kept most people there until the very end. Focus groups took place throughout the day, which explored what a Neurodivergent Friendly Cardiff should look like. The event also hosted around 30 information stalls from a variety of internal and external service providers who were on hand to provide information and guidance on a range of topics.

This work is vital as we know that people with neurodivergent traits and conditions face a range of challenges across society, including finding employment, increased likelihood of mental health diagnoses, and experience trouble in accessing public services. Cardiff Council and our Public Services Board partners have committed to working towards the removal of barriers that prevent those with neurodivergent traits and conditions from participating in society and to work across the city to make Cardiff neurodivergent-friendly. If anyone would like more information, please email: neurodivergentfriendly@cardiff.gov.uk

Neurodivergent Employee Network

In spring 2023, a group of council employees who identify as neurodivergent worked with colleagues in HR to establish a Neurodivergent (ND) Steering Group (planning group) as part of the Council's Disability Network. The ND Steering Group went on to set up a Neurodivergent Employee Network meeting (peer support group) on Microsoft Teams for neurodivergent council staff, which was attended by around 30 employees. Many members of staff from the Adults, Housing & Communities Directorate were instrumental in taking this new Neurodivergent Employee Network forward and I am pleased that there was such a strong turnout at their first meeting, signalling a positive interest in and need for such a community within the organisation. The network is a place where neurodivergent staff can feel accepted, valued and understood, and as awareness of the network grows, it is anticipated that attendance will continue to increase.

Social Work Week

Social Work Week was held on 18-22 March 2024 and included World Social Work Day on 19 March. It provides an important opportunity to celebrate social work by bringing together everyone with an interest in social work, including practising social workers and those looking to return to the profession; social work students and educators; people with lived experience of social work; employers of social workers; the wider social care workforce; and officials from national and local governments, government agencies, regulators and other partner organisations.

I was delighted to attend and speak at a Social Work Week celebration event that was held at Whitchurch Rugby Club on 22 March, which paid tribute to the hard work and dedication of social care workers in Cardiff. I have been fortunate enough to have spent time visiting different service areas and attending various events this year, and have been hugely impressed by the commitment, patience and resilience of our social workers and wider teams. It has been a real pleasure for me to be able to spend time with members of staff and service users, and to see first-hand the positive impact that the work of our social care staff has on the whole community and the real difference that they make to improving the lives of the people of Cardiff.

Carer's Leave Act 2023

I am aware of the thousands of people living in Cardiff who are helping others to stay independent within the community. These unpaid carers really do play a vital role in our society. It is estimated that there are currently 10.6 million unpaid carers in the UK. Many older people are supported by unpaid carers and 1 in 5 people aged 65+ are unpaid carers themselves. It's so important that we take every opportunity to support and value unpaid carers who often find it difficult to find time to look after their own needs.

I would like to raise awareness of the Carer's Leave Act 2023, which will come in to force as UK law on 6 April 2024. This legislation will provide the right for all unpaid carers in employment to take up to one week's unpaid leave per year. The Act will provide employees with a statutory right to this unpaid leave to provide or arrange care for a dependant with a long-term care need. Importantly, employees taking Carer's Leave will have the same employment protections as associated with other forms of

family related leave (i.e. Maternity, Paternity, Adoption, Parental Bereavement, Shared Parental and Parental Leave). This includes protection from dismissal or detriment as a result of having taken the leave.

We want to make sure that unpaid carers in Cardiff find out about the new Carer's Leave Act and what it means to them. The information will be shared out widely through our Age Friendly and Ageing Well partners and via digital channels. Further information can be obtained by emailing: CareDiff@cardiff.gov.uk

Lasting Power of Attorney

The Council has been working to support the Office of the Public Guardian to raise awareness of the importance of entering into a lasting power of attorney.

The Office of the Public Guardian is responsible for registering lasting powers of attorney and, once in place, the people you trust can quickly and easily step in when needed. This is such an important matter because a lasting power of attorney gives people a voice and protects their wishes into the future. Many people think that their partner or close family member can make decisions for them if they are not able to, but this is not the case. This legal document makes it easier for trusted individuals to provide support when it is needed most. This could be temporary help to manage finances during a short hospital stay, or for longer-term decisions about health and care.

Work has taken place to share the information as widely as possible using the Age Friendly Cardiff and Care'Diff newsletters, social media and digital screens within the Community Hubs. More information about lasting powers of attorney can be found at: <https://powerofattorney.campaign.gov.uk>

Ageism Action Day

As Cardiff's Older Person's champion, I am always hearing examples of ageism. Older people are often thought of as less capable or interesting and I want to ensure that we change the way we think we think about ageing. I'm so pleased that we were able to get involved in the Centre for Ageing Better's annual Ageism Action Day on 20 March 2024. The day provided a chance for everyone to do something to change the narrative about age and ageism. It's an annual day for individuals and communities, workplaces, friends and families to learn, take action and improve lives.

Our Independent Living Services hosted a celebration of Ageism Action Day at the Reflect Community Church at Grand Avenue in Ely. The inter-generational day of physical activities, music, singing and a quiz brought together older members of the community with pupils from Windsor Clive Primary School. Events also took place throughout the city, including 'Vintage not Vanished', which was organised by Splott Community Volunteers. Volunteers hosted a photography exhibition in their facility at the rear of the former STAR Centre in Splott.

Age Friendly Cardiff has worked with the Centre for Ageing Better to produce Welsh language versions of the workplace activity pack which was designed to help organisations spread the message that we can all Age Without Limits. This includes the age-positive image library, which showcases the huge diversity that exists in ageing and is available for anyone to use free of charge if they are producing work with images of older people. It also includes information on the harms that ageism causes, quizzes and activity ideas. The pack was distributed to the Age Friendly Leads across the 22 Welsh Local Authorities and partners within Cardiff's Age Friendly Network.

Community Resource Team (Homecare)

As part of the Council's commitment to supporting avoidable admissions to hospital and increasing patient flow, processes have been developed for the Emergency Unit at the University Hospital of Wales to refer citizens directly to the Council's Community Resource Team (Homecare). This partnership working has enabled hospital-based therapists to refer directly into the Community Resource Team (CRT). The Home Care Manager on duty will then triage the referral within 1 hour and carry out an assessment of the citizens care needs in their own home the same or next day, ensuring that the right support is available at home so hospital admission can be avoided. Since January 2024, the CRT has been able to support 27 patients who meet the criteria through this process, which has meant that citizens who attend A&E are either able to have reduced stays in hospital, as CRT homecare assessments can be completed sooner, or have avoided being admitted to wards all together. This process has a positive impact in supporting better patient flow in hospitals and ensures citizens avoid unnecessary stays in hospital and receive all the support they require in their own home.

Social Isolation and Loneliness

Social isolation and loneliness have been linked to an increased risk of heart disease and stroke; Type 2 diabetes; depression and anxiety; and Dementia. Engaging in mental wellbeing or social activities can help to build up the brain's ability to cope with disease and relieve stress. Interacting with other people and taking part in activities within the community can have such a positive effect on people's health. This could be an adult education class, a sports group, a lunch club or even a peer support group such as a Men's Mental Health Group.

Dewis Cymru is the health and wellbeing directory and information website which provides a single point of access to local and national services. Dewis supports people to be safe, social, and live well by signposting to services such as financial advice, care services, housing support, children's activities, health and third sector organisations. I am pleased to say that a Cardiff-specific post has also been recruited recently to focus on improving the information available on DEWIS Cymru and expanding its reach by making more people aware of this vital resource. Further details of activities, groups or services that can help people to connect with others and improve their own wellbeing can be found on the DEWIS Cymru website at: www.dewis.wales or by emailing: DewisCymru@valeofglamorgan.gov.uk

Section 16 Forum

Section 16(1) of the Social Services and Well-being (Wales) Act 2014 imposes a duty on local authorities to promote how social enterprises, co-operative organisations, co-operative arrangements and the third sector provide care, support and preventative services in their area.

To support this duty, planning and engagement work has been undertaken by officers from the Council's Adult, Housing & Communities Directorate, in conjunction with colleagues from Cardiff & Vale University Health Board and Cardiff Third Sector Council (C3SC), to develop a new forum to encourage a wider range of providers, including social enterprises, co-operatives, user led services and the third sector, into the adult social care market. The new 'Section 16 Forum' will support social enterprises, co-operatives, user-led services or other third sector organisations to offer care, support and preventative services. The Forum will also provide an opportunity for service providers, service users and unpaid carers to engage in conversations around the design and delivery of social care services in Cardiff, supporting co-production in the development of these important services. The Forum will help both the service and potential providers to understand the challenges and opportunities for the care sector in Cardiff, with the aim of providing more diverse and person centred services. I am excited to see the work that the Forum will deliver as it grows.

CHILDREN'S SERVICES

Joint Inspection of Child Protection Arrangements

Members will be aware that the Joint Inspection of Child Protection Arrangements took place in January 2024; I want to once again thank all those staff involved in the preparation and duration of the inspection. The Council has now received the draft report and will be responding with any comments in the coming weeks. The informal feedback from the Inspection team identified areas of good practice, as well as some areas for further development. I am pleased that the inspection recognised the robust leadership and governance arrangements in place in both Children's Services and corporately across the Council, with no further areas for development being identified. Across the partnership, an action plan is being developed in response to the draft recommendations and I will share further information with Members once we receive the final report.

Fostering Update

Foster Wales Cardiff has joined the new campaign, 'Bring something to the table,' utilising their greatest asset – current foster carers – to share realistic experiences of foster care and explore the small but significant human qualities that people possess, which can make the world of difference to a young person in care. Foster Wales has spoken to more than 100 people to develop the campaign, including foster carers, social workers, teachers, members of the public, and care leavers. With this knowledge, Foster Wales has drawn on real stories of carers in Wales to show that fostering with your local council is flexible, inclusive, and comes with extensive training, professional development opportunities, and generous fees and allowances.

I am grateful for the support Members give to our fostering campaigns and would urge them to spread the word so that more amazing people come forward who are interested in making a difference to a child or young person's life, knowing that they can bring their skills and experience to the table.

Accommodation Strategy Update

Following on from the update I provided in January 2024, I am pleased to share further progress with the implementation of our Accommodation Strategy. Another one of our new provisions has been registered and is now operating as an in-house residential home with one bed for children with disabilities. Applications have been submitted to Care Inspectorate Wales (CIW) for the registration of 5 further homes, with the first visit by CIW scheduled to take place this month. Once again, a huge thank you to all those officers in Children's Services and other Council directorates for the tremendous amount of effort they continue to invest in our strategy.

Cardiff Youth Justice Service

The Youth Justice Service has recently provided a series of weapons awareness sessions for young people aged 10-17 who have been identified as either being involved in, or at risk of, involvement in weapon related incidents. The staff who facilitated the sessions did a great job of engaging effectively with the young people who attended.

Cardiff Parenting

I am really pleased to announce that as part of Welsh Government's Parenting Give it Time Campaign, officers from the Cardiff Parenting Team have written "The Little Book of Feelings". This book is for parents to read to children and introduces a way to talk with young children about emotions, how to identify and respond to them. A bilingual copy has been distributed to every Cardiff library and plans are in place to distribute a copy to every Flying Start childcare setting and local authority nursery class in Cardiff.

Birth Registration Folder

Cardiff Early Help have designed a birth certificate folder that celebrates Cardiff as the UK's first UNICEF Child Friendly City and CEDAW (United Nations Convention on the Elimination of all Forms of Discrimination) city. From next month, the folders will be gifted by birth registrars to parents when registering their child's birth for them to take home and protect the baby's birth certificate. The folder contains information and contact details for services in Cardiff, including Cardiff Parenting, Cardiff Family Advice and Support, Childcare, School Admissions, Money Advice Team, Into Work Advice Service and many other services that support a happy and healthy family life.

Early Years Integration & Transformation Pathfinder

At the end of January, professionals from a range of services across the region came to together to complete The Early Integration Foundation (EIF) Maternity and Early Years Maturity Matrix, which was developed to support local areas to take a system-wide approach to improving outcomes for children and families.

The original baseline Matrix review took place in 2021 and the event provided an opportunity for professionals to revisit the Matrix to determine the current position for families with children from pre-birth to age 7 years. A total of 123 professionals from Health, Childrens Services, Education, Schools, Childcare providers, Workforce Development, Early Help, Childrens Library Services and Flying Start practitioners enjoyed a stimulating day of reflection and learning whilst revisiting the Matrix. Attendees rated the regions current systems for Early Years from Basic to Mature. The information from the day will be used to determine the progress made since 2021 and to identify priorities to ensure that a collaborative approach across the region is undertaken to improve outcomes for children and families.

I joined the Cabinet Member for Social Care & Health from the Vale of Glamorgan Council, Councillor Eddie Williams, in supporting the event where we heard from practitioners on the ground and those in more strategic roles. We also heard from Millie Boswell Nest/Nyth Implementation Advisor/Lead, with NEST updates and Liz Gregory regarding her lead role in the Parent Infant Foundation and the critical importance of the first 1000 days. It was a pleasure to hear a wide range of knowledge from professionals from a range of different services, once again seeing the level of passion that exists in this sector.

Workforce Development & Accredited Centre

Following the award of the Training and Support Grant in November 2022, I am pleased that the Council's Early Help Workforce Development & Accredited Centre Team has been able to provide additional support to the childcare sector by:

- Funding childminder pre-registration qualifications through Professional Association for Childcare and Early Years (PACEY) Cymru for the next 12 months for Cardiff residents.
- Funding Level 2 Playwork Practice and Level 3 Transition to Playwork courses for Cardiff residents through Clybiau Plant Cymru.
- Ensuring all courses running between January to April 2024 are offered on a fully funded basis for all Cardiff settings. To date, 728 bookings have been received for these courses, and 228 attendees have attended the courses to date.
- Launching a grants programme, which allows childcare settings to claim up to £400 for any training that they have procured privately during the 2023/24 financial year. Applications have now closed and the team has processed a total of £17,700 in grants to the childcare sector.

The team's hard work has had a really positive impact on the childcare sector in Cardiff, which is great to see.

Health Visiting

It was a pleasure to meet once again with a range of health visitors who work alongside our Early Help and Flying Start teams to support babies, children, and families in a child's development. Throughout the afternoon I had the opportunity to hear first-hand from health visitors about the work they do – from supporting infant feeding and promoting nutrition, to working through housing issues and the complex challenges of domestic abuse. The team shared stories with me about the positive impact their work

has on babies, children, and families, but also the continuing challenges across the city and those faced by the health visiting profession.

I am keen to ensure that across all services that engage with babies, children, young people, and families, continue to work together as regularly and efficiently as possible, to collectively achieve the best possible outcomes for our future generations.

Councillors Norma Mackie & Ash Lister
Cabinet Members for Social Services (Job Share)
22 March 2024

CLIMATE CHANGE STATEMENT

Waste Management

Garden Waste Collections

Garden waste collections will recommence on Tuesday 2 April 2024 with collections taking place every two weeks. Communications are ongoing and the collection calendar on the website and CardiffGov mobile app have been updated to show the garden waste collections for each property.

Segregated Recycling Update

Segregated recycling has been rolled out to a further 36,000 properties in Ely, Gabalfa, Grangetown, Heath West, Llandaff, Pentwyn, Pentyrch, Radyr, Rhiwbina, Splott and Trowbridge. Early review of the materials being processed has shown a significant reduction in contamination and improvements in the quality of recyclable materials. Furthermore, we are seeing improvements to the street scene in areas where co-mingled recycling created issues due to split bags from birds and vermin looking for food. The final phase of the rollout will be undertaken in summer 2024, with a further 80,000 properties being moved to the segregated recycling service.

Climate Change

Cabinet Report

The Cabinet considered a report this month, which noted some significant progress in delivering our One Planet Cardiff climate change agenda, with a range of high profile and innovative projects now operational or commissioned and in progress. Highlights include the Lamby Way Solar Farm, the construction of the Cardiff Heat Network, a growing range of cycle priority and EV charging infrastructure, and nearly 80,000 new trees planted by the end of the current growing season.

As part of our overall transport strategy that was set out in the Transport White Paper, we will shortly be publishing our EV delivery strategy or roadmap. This proposes to bring forward up to 100 new public EV charging points over the next two years, focused on those residential areas of the city which have limited off-street parking. In addition, a new domestic energy efficiency grant scheme, called LAFlex, has been launched and good progress is being made on our sustainable, low carbon food agenda, with innovative pilot projects to prepare and redistribute surplus food now operational and plans for local community food growing initiatives also taking shape.

Our work to implement the One Planet Cardiff strategy to date has also highlighted some considerable challenges in achieving Net Zero, which is why we have now

instigated a programme of work to develop a Green Paper on the next steps needed to address the climate emergency in Cardiff. This Green Paper will highlight the key issues and investment opportunities that can help to accelerate our progress and shine a light on those areas that need the most urgent focus from all stakeholders.

We have recently closed our call for the submission of One Planet Cardiff capital projects. This is a relatively small capital funding allocation that has been provided to support council service areas to undertake carbon or climate change related capital projects. Service areas have put forward over 30 innovative and imaginative projects that would help to reduce carbon emissions. Whilst the available budget will not be able to fund all of them, the projects will now be evaluated with the best ones receiving capital funding in 2024/25.

I am also pleased to report that initial carbon literacy training for council staff has been well received. There are now over 60 trained staff across the Council and further training is being scheduled for 2024/25. Carbon literacy is a certificated training course, which ensures that individuals have the fundamental understanding and skills to cascade change at home, work or school to reduce carbon emissions and climate change risks. Officers are currently in discussions with colleagues from Democratic Services about developing a similar programme for Members.

Climate Conversations

I was pleased to attend a Climate Conversation event hosted by the Bengal Dragons Foundation on 30 January 2024 at the Senedd in Cardiff Bay. I participated in a panel discussion that discussed the challenges of climate change and explored ways in which communities can actively participate in a fair and just transition towards more sustainable lifestyles and, in particular, those from the South Asian community. It was a really thought-provoking event and provided a great opportunity for attendees to participate in the debate, to voice their concerns, share ideas, and discuss how best communities can address climate change and take collective action towards forging a more sustainable future.

Around 40 Climate Conversation events took place across Wales in December 2023 and January 2024. These events were funded by the Welsh Government but were organised and hosted by a range of different organisations who successfully applied to participate in the programme, including the Bengal Dragons Foundation. Other events held in Cardiff in January were hosted by Cardiff University, Fareshare Cymru and the Global Gardens Project in Gabalfa. The aim of these events was to build on Wales Climate Week 2023 and to encourage national, regional and local discussions on how we can tackle climate change in a fair way that could also inform the Welsh Government's consultation on a new [Just Transition Framework](#), which closed on 11 March 2024. The key findings from the Climate Conversations will be summarised in a final report to be published later this year alongside the results of the Welsh Government consultation.

Flood Risk Management

Strategy Update

The drafting of the city's draft Flood Risk Management Strategy is near completion. Consultants have been appointed to assist with the production of flood mapping and

to undertake the Strategic Environmental Assessment and the Habitat Regulation Assessment. Once completed, all documents will be included in the public consultation on the strategy, which is expected to commence next month.

Prevention Scheme Updates

Cardiff Coastal Protection Scheme

The initial on-site stages of the scheme have now started in preparation for the commencement of the construction phase. Vegetation clearance works and the delivery of rock armour to site has commenced. Extensive preparation work, including the application for discharge of pre-commencement planning and marine licence conditions are ongoing. Trial hole investigations to confirm the depth of utilities began earlier this month, with further ground investigations due to commence next month.

Rumney Flood Alleviation Scheme

Application for funding from Welsh Water was successful and consultants have been appointed to undertake the optioneering investigations for possible solutions to the unconsented combined sewer overflow. Flow monitors are due to be installed in numerous chambers by the end of this month so that real time data can be utilised to calibrate the required hydraulic models.

Whitchurch Flood Alleviation Scheme (Greener Whitchurch)

A well-attended public engagement event took place at Whitchurch Hub on 16 January 2024 and a further public engagement event will take place once designs have been finalised and prior to submission of a planning application. Non-intrusive drainage CCTV work and topographical surveys have taken place, with detailed ground investigations programmed to commence this month. These surveys will inform the detailed design of the flood alleviation scheme.

Radyr Court Road Flood Defence Scheme

Consultants have been appointed to develop the Business Justification Case and detailed design of the repairs to the flood defence along Radyr Court Road in Llandaff. Once completed, the design will be submitted to the Welsh Government for approval and further funding will be applied for to enable the construction of any remedial works.

Nant Y Wedal Brook Flood Alleviation Scheme

Consultants have been appointed to develop the Outline Business Case for the Nant Y Wedal flood alleviation scheme. Stakeholder engagement is planned and will take place over the coming months. Once completed, the Outline Business Case will be submitted to the Welsh Government for approval and further funding will be applied for to enable the development of the Full Business Case and detailed design.

Councillor Caro Wild
Cabinet Member for Climate Change
22 March 2024

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COUNCIL: 28 MARCH 2024

CULTURE, PARKS & EVENTS STATEMENT

St David's Hall

I want to take this opportunity to update members on progress with St David's Hall and to also pay tribute to the professionalism and commitment demonstrated by the staff at St David's Hall as they worked with the Council to close the current business. Staff have worked tirelessly to ensure that, where possible, shows were relocated and where we were unable to reschedule, patrons received their refunds. This was no small undertaking and I am grateful for the positive attitude that council staff continued to display throughout what was undoubtedly a difficult time for them. I would like to wish them well in all their future endeavours and, once again, thank them for their role in developing St David's Hall into one of the UK's highest ranking classical music venues.

I can confirm that an outline design proposal for a replacement roof at St David's Hall has been developed, with the lease agreement with AMG being signed on 26 February 2024. AMG are now developing a works programme for the refurbishment of the venue on which they will consult with the Council's conservation officer. I will, of course, continue to keep Members abreast of developments whilst we continue to work with AMG towards the reopening of a newly refurbished St David's Hall that will ensure a sustainable future and new opportunities for our residents and visitors to enjoy all that the venue will have to offer.

Cardiff Music City Festival

The Council's Culture and Events Teams are leading on the development of an exciting music signature event that will take place in the city this autumn, titled the 'Cardiff Music City Festival'. I am pleased to confirm the dates of this pilot festival, which is funded and supported by the Council and the Welsh Government's Event Wales Team, will be Friday 27 September to Sunday 20 October 2024.

Cardiff Music City Festival aims to reinvent what a 21st Century city-based music festival could be and help define Cardiff as a culturally progressive international capital city. We aim to attract over 20,000 people to the city later this year for this new festival, which will bring together international and local talent, including household names and emerging talent. Programme announcements will be revealed sequentially over the coming months. The renowned Sŵn Festival and Wales Millennium Centre's international arts festival, Llais (Festival of Voice), are also vital partners of the Cardiff Music City Festival, alongside many other local and international music sector stakeholders. Further information about the festival can be obtained by registering at: <https://cardiffmusiccity.wales/>

Community Safety in Parks in Adamsdown

I'm pleased to report the progress being made with partnership working in response to concerns raised by the local community about anti-social behaviour within parks and green spaces in the Adamsdown ward. Very positive feedback is being received on the impact of the Council's Urban Park Ranger service and other stakeholder council services, which has helped to reduce the burden on policing resources and improve community accessibility to valuable green spaces. As a consequence of information sharing and joint operations/working, South Wales Police has seen a significant drop-off in reports of crime and anti-social behaviour and there has also been a noticeable increase in footfall, including children and families, at Anderson Fields, Brewery Gardens and Cemetery Park. Building on the improvements made to date, community events are being organised by agencies promoting community safety and social cohesion in the city and I know that local ward members have welcomed activity in the local area.

Canal Park Masterplan

In anticipation of Section 106 contributions being secured in the Butetown ward, preparations for the development of a masterplan for the area have commenced. Consultation will assist in ensuring that the Council provides the most appropriate facilities for the local community, and a number of workshop sessions with stakeholder groups, as well as an open forum, with information being available in English, Welsh and Arabic have taken place. As a next step, a draft masterplan will be shared with local ward members and the local community with a view to implementing improvements to Canal Park as part of our 2024/25 and 2025/26 Parks Infrastructure Programmes.

Shelley Gardens Consultation

Consultation is due to take place early next month in the Plasnewydd ward, which aims to seek views and ideas on how improvements to Shelley Gardens can be secured through the use of Section 106 funding. An online platform and a local community forum are key features of the consultation, which seeks to ensure that community input is maximised. Following the consultation, proposals will be shared with local ward members prior to delivery as part of the 2024/25 Parks Infrastructure Programme.

One Mow Regime

Officers are finalising the annual review of mowing regimes across the city and, in doing so, are exploring opportunities for the inclusion of further areas within our well-established one mow regime programme. As Members will be aware, the area of grassland dedicated to one mow has increased year on year and the regime underlines the Council's commitment to promoting and enhancing biodiversity. Officers will be writing to local ward members shortly with proposals for including areas within their wards as part of the programme.

Pentwyn Leisure Centre

Revised plans for Pentwyn Leisure Centre were presented to the local community at two drop-in events on Tuesday 26th and Wednesday 27th of March.

The plans, which have been revised following Cardiff Rugby's decision to withdraw from the centre, include a 25-metre swimming pool, which will have an adaptable moving floor to allow varied water depth to enable a wide range of swimming and 'splash' activities, as well as reducing energy requirements to heat the water. In addition, the current slide, sports hall, and outdoor mini 3G pitch will be retained, and the studio and gym facilities reopened. The changing rooms will also be given a full refurbishment.

The energy infrastructure of the centre will be enhanced via roof-mounted solar panels and an air source heat pump to heat the pool, reducing the operational costs and improving the carbon performance.

These revised plans offer an affordable pathway towards doing what the Council have always remained committed to doing – getting Pentwyn Leisure Centre, including a swimming pool, reopened for the use of the community.

Tennis Wales Investment Programme

Excellent progress is being made following Cabinet approval in June 2023 to develop a partnership project with Tennis Wales in order to secure significant funding from the Lawn Tennis Association and Department for Culture, Media & Sport that can be invested in the improvement of the Council's tennis facilities. Contractors have undertaken works, including resurfacing, replacing posts/nets and installing new gate entry systems, at Llandaff Fields, Hailey Park, Victoria Park, Roath Pleasure Gardens, Heath Park and Rumney Hill Gardens. As soon as weather conditions improve, line marking of the courts will also be undertaken in advance of the re-opening of the refurbished facilities. We have already seen the impact on participation through previous investment in Heath Park and I'm confident this will be replicated through our partnership with Tennis Wales, which will see them managing the sites and a dedicated Tennis Development Coach helping to support and increase participation within the local communities.

Schools Swimming

Following the recent report by Swim Wales about the state of schools swimming in Wales and through a joint venture with Cardiff Metropolitan University and key stakeholders, including pool operators and swim lesson providers such as GLL, Parkwood Leisure, Urdd Gobaith Cymru, Splash and the Council's Education Service, a development plan and swim charter has been created for schools swimming in Cardiff. The aim of the plan/charter is to standardise the cost, quality of offer, access to the nearest facilities for primary schools and quality of swim instructors to ensure that every Year 4 pupil has the opportunity to learn to swim. All stakeholders are committed to the approach and will change and adapt their current models of delivery, with the aim that Cardiff will improve from one of the

poorest performing Local Authorities in Wales to the best performing Local Authority by 2027.

Councillor Jennifer Burke
Cabinet Member for Culture, Parks & Events
22 March 2024

FINANCE, MODERNISATION & PERFORMANCE STATEMENT

UNISON Cymru Wales Anti-Racism Charter

I was pleased to join the Leader of the Council, the Chief Executive and my Cabinet colleague, Councillor Sangani, at the official signing by the Council on 12 March 2024 of the UNISON Cymru Wales Anti-Racism Charter. Cardiff Council is one of the first Local Authorities in Wales to sign up to UNISON's Anti Racism Charter and my Cabinet colleagues and I are pleased to be working in collaboration with trade union colleagues from UNISON to support this initiative. The signing of the Charter reaffirms the Council's commitment to combatting racial discrimination and promoting inclusivity and diversity in the workplace. As a major employer, the Council has established equal opportunities and race equality policies in place, undertakes equality impact assessments, provides equality training, and works to address racial disparities in recruitment and promotion in employment. By signing the Charter, the Council as an organisation has pledged to introduce a number of ongoing commitments within the next 12 months, including having a clear and visible anti-racism programme of initiatives and actions, and providing a racism reporting process for notifying, investigating and recording outcomes.

Modern Slavery Statement 2024/25

The Council has recently published its sixth annual Modern Slavery Statement (Tackling Exploitation and Supply Chain Transparency) for 2024/25 and continues to make good progress in tackling exploitation throughout our supply chains. The Council has also been highly commended throughout the UK for its work on Modern Slavery, with other Local Authorities being signposted to us as an example of best practice.

In 2023, the National Crime Agency recorded 559 potential victims of trafficking in Wales, an increase from 536 in 2022. Of these, 53 referrals (9.5%) were made by Cardiff Council. Maintaining the number of referrals of potential victims of trafficking into the National Referral Mechanism (NRM) has been achieved in Cardiff due to the increased awareness training that has been provided to practitioners.

The number of Council staff who have completed the Modern Slavery online training module has increased to 4,860, which is up from 4,069 last year. This is in addition to the 84% completion rate for our Corporate Safeguarding training.

Through the Ardal collaboration, Cardiff Council has supported Monmouthshire County Council and Torfaen County Borough Council in formulating their first Modern Slavery Statements. The Council also provides support to Category Managers within the procurement process on the risk assessment and due diligence elements of contract management with a view to identifying 'red flags' and high-risk sectors.

Current risk is associated with recruitment in adult social care and the solar/PV industry, which we are actively assessing. An Ardal briefing paper on the Risk of Exploitation in Adult Social Care is due to be published next month.

The Council is working with suppliers to help them achieve commitments made through social value relating to Modern Slavery and will seek to pilot a self-assessment questionnaire to identify risks of exploitation within supply chains. We have also started on-site awareness raising sessions for some of our major suppliers, including ISG at the new Fairwater Campus development.

In addition, the Council is currently exploring the links between Modern Slavery and climate change as a result of the need to transition to a low carbon economy, and we are monitoring the development of the use of AI to improve the accuracy and efficiency in the identification of risk, as well as supply chain transparency and traceability.

CardiffGov Mobile App

At the end of last month, the CardiffGov mobile app reached a total of 91,633 downloads since its launch. There was also an increase of 1,927 downloads in February 2024 compared to the previous month.

The number of people accessing the CardiffGov mobile app is split by the type of device they use (iOS or Android). There were 1,058 downloads to iOS devices in February. The app was opened 19,569 times by iOS devices last month, which was a 2.8% increase in comparison with the previous month. 869 new Android users downloaded the app to their device in February. There were also 12,291 active Android users last month, which was a 2.3% decrease from the previous month.

The App Team's work has been focused mainly on changes within waste & recycling services, including the rollout of the second phase of the segregated recycling scheme. The team has also been provided with information by the Parks Service, which will support the development of requirements for the reporting of fallen trees to be made via the app in the future.

Chatbot (BOBi)

A total of 7,293 conversations took place last month using our chatbot, BOBi, which represented an increase on the average number of 5,000+ conversations per month. Users engaged mostly with waste options, Council Tax and housing scenarios, and interacted the most about waste bins & bags, Council Tax, and benefits information. Of the 542 people that provided feedback following use of the chatbot, 79% of the feedback scores were rated as Ok, Good or Very Good, with Very Good making up the highest proportion of these scores (39%).

Website

Key statistics from February 2024 in relation to the Council's website:

- 251,000 people visited www.cardiff.gov.uk and viewed 534,000 pages, with 77% of visitors using a mobile device to access the website.
- 28,800 online payments were received totalling £2.9million.

- 201,000 residents checked their waste collections online, which was a decrease compared to January 2024.
- 99.9% (15,800) of recycling centre bookings and 94.5% (6,400) of bulky item collection bookings were made online.
- 13,300 A-Z of Recycling and Waste lookups were made, with 'Tetra Pak cartons' being most searched for topic. Household recycling collections as part of the new segregated recycling scheme will accept this item, whereas they should not be included within co-mingled recycling in green bags. The A-Z has been updated to help residents find out how to recycle this item whichever scheme they are on.
- 93.6% of problem parking reports (1,100) were made online, along with 87.1% of street lighting reports (108).
- 7,400 online forms were submitted, with Housing Repairs being the most used online form on the website.
- Customers accessed their Council Tax account 20,900 times via the website and CardiffGov mobile app.

Cardiff.gov.uk scored 98% in the February 2024 audit by SOCITM's accessibility partner, Silktide. This puts www.cardiff.gov.uk in 3rd place among local authorities in Wales and 22nd in the UK among over 375 websites that were reviewed.

Councillor Chris Weaver
Cabinet Member for Finance, Modernisation & Performance
22 March 2024

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CYNGOR CAERDYDD CARDIFF COUNCIL

COUNCIL:

28 MARCH 2024

REPORT OF THE INTERIM MONITORING OFFICER

COMMITTEE MEMBERSHIP

Reason for Report

1. To receive nominations and make appointments to current committee vacancies as set out in the report and in accordance with the approved allocation of seats and political group wishes.

Background

2. The Annual Council meeting 25 May 2023 established the Committees and Panels of the Council and their composition. The seats allocated to political groups on each committee were calculated in accordance with the rules on political balance, and nominations were received for each committee from the political groups.
3. In accordance with the Welsh Audit Office Statement of Action P3b (report March 2016), Membership of Committees is a standing item on monthly Group Whips meetings and Full Council, as appropriate.

Issues

4. Current Committee vacancies, in accordance with the approved allocations to political groups, are as follows:

Table A

Committee	Vacancy	Group	Nomination Received
Planning Committee	1 vacancy	1 x Liberal Democrat	
Governance & Audit Committee	1 vacancy	1 x Liberal Democrat	

5. Further nominations to fill existing vacancies received from political groups prior to Full Council on 28 March 2024 will be reported on the amendment sheet.

Legal Implications

6. The Council is required at its Annual Council meeting (and at certain other specified times) to determine the allocation of Committee seats to political groups in accordance with political balance principles set out in Section 15 of Local Government and Housing Act 1989. Having determined the allocations, the Council is under a duty to exercise its power to make appointments to each Committee so as to give effect to the wishes expressed by the relevant political group about who is to be appointed to the seats allocated to their group (section 16 of the 1989 Act).
7. The Local Government (Committees and Political Groups) Regulations 1990 ('the 1990 Regulations') requires political groups to be notified of their allocation on each Committee in order that they may nominate individuals to serve on that Committee (Regulation 14). Regulation 15 contains a residual power for the Council to make appointments if the political groups fail to do so. However, apart from this provision, the Council has no discretion in the matter - its function is simply to make appointments, which give effect to the wishes of the political groups.
8. The wishes of a political group are to be taken as those expressed to the Proper Officer (a) orally or in writing by the leader or representative of the group; or (b) in a written statement signed by a majority of the members of the group. In the event that different wishes of a political group are notified, the wishes notified in accordance with point (b) shall prevail (Regulation 13).

Planning Committee

9. The Size and Composition of Local Planning Authority Committees (Wales) Regulations 2017 (made under s.39 of the Planning Wales Act 2015), provide that, *except in the case of a local authority which is comprised solely of multiple member wards*, only one Member from a multiple member ward may sit on the planning committee, in order to allow other ward Members to perform the representative role for local community interests (Regulation 6 of the Size and Composition of Local Planning Authority Committees (Wales) Regulations 2017). As Cardiff is currently comprised solely of multiple member wards, this rule is not currently applicable to Cardiff.

Financial Implications

10. There are no financial implications directly arising from this report.

RECOMMENDATION

The Council is recommended to receive nominations and appoint to the vacancies on the Committees, in accordance with the Party Group wishes, as set out in Table A and on the Amendment Sheet.

D MARLES
Interim Monitoring Officer
22 March 2024

**CYNGOR CAERDYDD
CARDIFF COUNCIL**



COUNCIL:

28 March 2024

REPORT OF THE INTERIM MONITORING OFFICER

APPOINTMENT OF LOCAL AUTHORITY GOVERNORS TO SCHOOL GOVERNING BODIES

Reason for this Report

1. To appoint Local Authority School Governors to fill vacancies.

Background

2. Section 19 of the Education Act 2002 makes provision for the governing bodies of maintained schools to include Local Authority appointed governors, with further detail contained in the Government of Maintained Schools (Wales) Regulations 2005. When Local Authority school governor vacancies arise, either by appointees reaching the end of their term of office or resigning, it is the statutory duty of the Council to fill the vacancies as soon as possible.
3. The Local Authority Governor Panel was constituted at the Annual Council in May 2015 to advise the Council on appointments and removal of governors to those places allocated to the Local Authority.

Issues

4. The Local Authority Governor Panel met on 18 March 2024 to consider new applications to fill current and future vacancies due to arise by 31 July 2024. The recommendations of the panel, in respect of new appointments are contained in Appendix 1 to this report.

Legal Implications

5. As noted in paragraph 2 of the report, the Council is required, pursuant to the Education Act 2002, section 19 and regulations made there under, to appoint local authority governors to the governing bodies of maintained schools, in accordance with those statutory provisions. Appointments are for a fixed term of 4 years from the date of the appointment and governors may be re-appointed for a further 4 year term.

6. Appointments to outside bodies are a local choice function, which is reserved under the Council's Constitution to full Council. Accordingly, the appointment of Local Authority governors to governing bodies requires the approval of full Council.
7. Members will note that this report recommends the appointments of local authority governors, as set out in Appendix 1 for a 4 year term.

Financial Implications

8. There are no financial implications arising from this report.

Recommendation

9. That, in accordance with the recommendations of the Local Authority Governor Panel, the Council approves the new appointments of Local Authority governors to the school governing bodies as set out in Appendix 1, each for a term of 4 years from the date of the appointment.

Debbie Marles
Interim Monitoring Officer
22 March 2024

The following Appendices are attached:

Appendix 1 List of Local Authority school governor vacancies and recommendations for appointment by the Local Authority Governor Panel for the period 1 March 2024 to 31 July 2024.

The following Background Documents have been taken into account: N/A

**LA Governor Vacancies - Recommendations from LA Governor Panel
1 March 2024 to 31 July 2024**

Appendix 1

- i. All appointments in the list are recommended by the LA Governor Panel and will have satisfied the required application process.
- ii. All terms of office unless otherwise stated are for 4 years.

Existing LA Governor Vacancies

School Name	Ward	Start of Vacancy	Applications Received
Danescourt Primary School	Llandaff	07/02/2024	
Gabalfa Primary School	Llandaff North	04/01/2024	
Glyncoed Primary School	Pentwyn	11/10/2023 02/11/2023	
Greenhill School	Rhiwbina	21/03/2023	
Lakeside Primary School	Cyncoed	13/09/2023	
Mary Immaculate High School	Caerau	04/11/2023	
Pentyrch Primary School	Pentyrch & St Fagans	11/09/2023	
Rhydypenau Primary School	Cyncoed	13/09/2023	
St Cadoc's RC Primary School	Llanrumney	24/01/2024	
St Cuthbert's R.C Primary School	Butetown	26/11/2022	Luke Fadipe
St Fagan's C.W Primary School	Ely	16/10/2023	Preeti Pathak
St Joseph's R.C Primary School	Gabalfa	14/09/2023	
St Monica's C.W Primary School	Cathays	21/09/2023	
St Teilo's C.W High School	Pentwyn	29/02/2023	
The Hollies School	Pentwyn	03/10/2023	
Ton-Yr-Ywen Primary School	Heath	08/01/2024	
Tremorfa Nursery School	Splott	13/09/2023	
Ysgol Glan Morfa	Splott	19/10/2022	
Ysgol Gymraeg Nant Caerau	Caerau	13/09/2023	
Ysgol Gymraeg Pwll Coch	Canton	17/09/2022 30/09/2021	Tom Dunn
Ysgol Gymraeg Treganna	Canton	21/06/2023	Stefan Rollnick
Ysgol Gynradd Gymraeg Hamadryad	Butetown	05/10/2023	

Future LA Governor Vacancies

School Name	Ward	Start of Vacancy	Re-appointment requested	New Application Received
Birchgrove Primary School	Heath	22/06/2024	Cllr Graham Hinchey	
Hywel Dda Primary School	Ely	24/07/2024		
Marlborough Primary School	Penylan	22/05/2024		
St Mary's Catholic Primary School	Riverside	22/05/2024		
Ton-Yr-Ywen Primary School	Heath	22/06/2024	Cllr Graham Hinchey	
Whitchurch High School	Whitchurch & Tongwynlais	29/02/2024		
Willows High School	Splott	24/07/2024 27/04/2024	James Ellis Jody Greenway	
Ysgol Mynydd Bychan	Gabalfa	24/07/2024	Cerith Rhys Jones	
Windsor Clive Primary School	Ely	22/05/2024		
Ysgol Gymraeg Treganna	Canton	22/05/2024	Manon George	