

The County Council of the City and County of Cardiff Summary Statement of Accounts 2016/17

Income and Expenditure

The Income & Expenditure Account below presents the cost of running Council Services for the 2016/17 financial year. It also shows where the money came from to finance these costs.

Council Tax:

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

Band D Council Tax	£
Cardiff Council	1,060.29
Police & Crime Commissioner for South Wales	207.85
Total	1,268.14
Net Proceeds from Council Tax	£000
Council Tax Collectible	(182,502)
Provision for Non-Payment	2,063
Total Council Tax Income	(180,439)

Total Council Tax income funds just over a quarter of the Council's net expenditure

At the end of March 2017 the provision for bad debt relating to council tax was £5.9m

The council tax collection rate for 2016/17 was 97.5%

Non-Domestic Rates:

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

	£000
Non-Domestic Rates Collectible	189,057
Cost of Collection Allowance	(896)
Provision for Non-Payment of NDR	(1,696)
Payment into National Pool	186,465
Redistribution from National pool	(105,994)

The Welsh Government 2016/17 NDR rate is 48.6p per pound of the business' rateable value

The net NDR collected by Cardiff for 16/17 totalled £186m. Cardiff received £106m after redistribution

The majority – 55% of total funding for the year 2016/17 is received through Grant from the Welsh Government

Income and Expenditure	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
City Operations	108,517	(52,402)	56,115
Communities, Housing & Customer Services	239,620	(189,528)	50,092
Corporate Management	6,762	(469)	6,293
Economic Development	64,316	(44,397)	19,919
Education & Lifelong Learning	348,120	(100,654)	247,466
Governance & Legal Services	6,912	(2,556)	4,356
Harbour Authority	9,085	(6,537)	2,548
Housing Revenue Account	50,009	(69,938)	(19,929)
Resources	28,636	(9,195)	19,441
Social Services	180,319	(26,432)	153,887
Summary Revenue Account	1,547	(5,078)	(3,531)
Exceptional Item	0	0	0
Net Cost of Services	1,043,843	(507,186)	536,657
Police & Crime Commissioner Precept	29,367	0	29,367
Community Council Precepts	296	0	296
Levies & Contributions	17,034	0	17,034
(Gain)/loss on sale of fixed assets	32,221	(9,009)	(23,212)
Other Operating Expenditure	78,918	(9,009)	69,909
Interest Payable on debt	32,250	0	32,250
Pensions Interest Cost	18,035	0	18,035
Interest & Investment Income	0	(979)	(979)
Change in fair value of Investment Properties	9,105	(18,805)	(9,700)
Financing /Investment Income & Expenditure	59,390	(19,784)	39,606
Recognised Capital Grants & Contributions	0	(41,191)	(41,191)
Revenue Support Grant	0	(320,309)	(320,309)
Non-Domestic Rates	0	(105,994)	(105,994)
Council Tax Income	2,063	(182,502)	(180,439)
Taxation & Non-Specific Grant Income	2,063	(649,996)	(647,933)
(Surplus) on Provision of Services			(1,761)
Revaluation Gains			(26,098)
Revaluation Losses			10,169
Impairment losses on non-current assets charged to the Revaluation Reserve			784
Deficit on revaluation of available for sale financial assets			3,576
Actuarial (gains)/losses on pension assets/liabilities			16,049
Other Comprehensive Income & Expenditure			4,480
Total Comprehensive Income & Expenditure			2,719

Balance Sheet	31 March 2017	£000	£000
Property Plant & Equipment		1,693,015	
Investment Property		132,241	
Heritage & Intangible assets		57,161	
Long-term Investments		13,691	
Long-term Debtors		5,616	
Total Long Term Assets			1,901,724

Short-term Investments	66,124	
Assets held for Sale	80	
Inventories	2,175	
Short-term Debtors	83,754	
Cash and Cash Equivalents	18,776	
Total Current Assets		170,909

Short Term Borrowing	(14,972)	
Short Term Creditors	(87,603)	
Pension Strain	(1,414)	
Provisions	(7,116)	
Deferred Liabilities	(2,846)	
Total Current Liabilities		(113,951)

Long Term Borrowing	(668,028)	
Provisions	(27,821)	
Deferred Liabilities	(14,021)	
Capital Contributions Receipts in Advance	(11,843)	
Revenue Grants Receipts in Advance	(2,016)	
Capital Grants Receipts in Advance	(974)	
Pensions Strain	(3,219)	
Net Pensions Liability	(586,723)	
Total Long Term Liabilities		(1,314,645)

NET ASSETS **644,037**

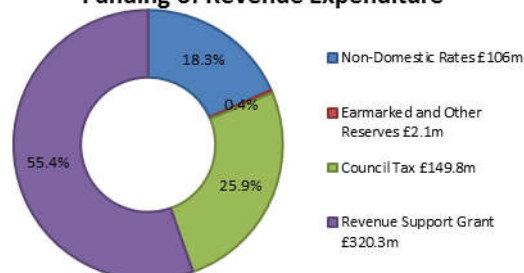
Financed by:

Council Fund Balance	14,255	
Council Fund Earmarked Reserves	59,391	
Housing Revenue Account Balance	8,438	
HRA Earmarked Reserves	4,086	
Capital Receipts Reserve	7,205	
Usable Reserves		93,375

Revaluation Reserve	258,922	
Capital Adjustment Account	876,075	
Deferred Capital Receipts	2,038	
Available for Sale Financial Instruments Reserve	13,235	
Pensions Reserve	(591,356)	
Accumulated Absences Adjustment	(8,252)	
Unusable Reserves		550,662

TOTAL RESERVES **644,037**

Funding of Revenue Expenditure



Movement on Council Fund Balance	£000
Balance at the end of the previous year	15,255
Surplus or (deficit) on the provision of Services (exc. Housing Revenue Account)	(17,268)
Adjustments between accounting basis & funding basis under regulations	23,433
Transfers to/(from) Earmarked Reserves	(7,165)
Increase/(Decrease) in 2016/17	(1,000)
Balance at the end of the current year	14,255

The Council Fund Balance of £14.255m represents accumulated surpluses retained by Cardiff Council	Earmarked Reserves for 16/17 totalled £63.477m, including £13m of Schools Reserves	Earmarked Reserves are sums of money put aside for specific uses. A detailed list can be found in the full Statement of Accounts
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Housing Revenue Account (HRA)	£000
Income	
Dwelling rents	(63,253)
Non-dwelling rents	(98)
Charges for services and facilities	(6,067)
Total Income	(69,418)

Expenditure	
Repairs and maintenance	19,959
Supervision and management	19,239
Rents, rates, taxes and other charges	170
Provision for bad and doubtful debts	650
Depreciation, impairment and revaluation of non-current assets	9,407
Sums directed by the Welsh Government that are expenditure in accordance with the Code	25
Debt management costs	39
Total Expenditure	49,489

Net Cost for HRA Services **(19,929)**

HRA share of the operating income and expenditure

(Gain)/loss on sale of HRA non-current assets	(2,088)
Interest payable and similar charges	12,497
Changes in fair value of investment properties	208
Interest and Investment income	(72)
Capital grants and contributions applied	(9,645)
(Surplus) for year on HRA services	(19,029)

Balance on HRA at end of previous year **(8,438)**

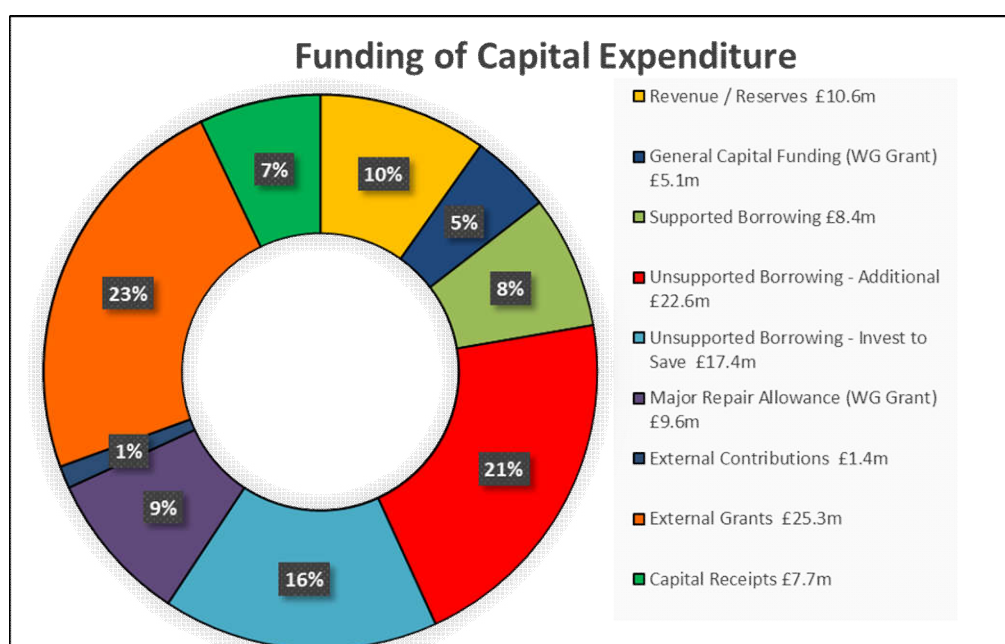
(Surplus) for year on HRA services	(19,029)
Adjustments between accounting basis and funding basis under regulations and reserves	15,897
Transfers to/(from) Reserves	3,132
Net increase in the year on the HRA	0

Balance on HRA at end of current year **(8,438)**

Capital Expenditure:

Capital expenditure represents money spent on improving, acquiring and enhancing assets that are used in the provision of services as well as a number of items determined by legislation. Capital expenditure during the year totalled £108.1 million, with the main items of expenditure described in the table below:

		£m
Housing & Neighbourhood Regeneration	Disabled adaptation grants, allowing people to live independently in their homes, environmental improvements including shop fronts in Grangetown and the start of a comprehensive regeneration scheme for Maelfa Centre in Llanedeyrn.	7.0
Education & Lifelong Learning	Continued investment in a number of schools as part of the 21 st Century Schools Plan including the new Eastern High school, a new high school in the West, three new primary schools and extensions of facilities at a number of schools. Additional investment in the condition of properties to address electrical compliance works.	32.7
Highways & Transportation	Road and footpath resurfacing, road safety improvements, LED street lighting energy efficiency, public transport and telematics. Also Windsor Road bridge replacement, cycling strategy implementation, investment in safe routes in communities, bus priority improvements on A469 and A470 and moving traffic offences expansion as well as other pedestrian and junction improvements.	14.1
Leisure Facilities and Citizen Hubs	Completion of refurbishment of Eastern Leisure Centre, Insole Court and the development of hubs in areas of need including the new STAR hub and pool, Llanedeyrn, Llandaff North and Gabalfa hubs.	7.1
City Development	Land acquisition at Dumballs Road, waste removal at International Sports Village and public realm design to allow regeneration of Central Square.	14.0
Parks and Energy Projects	New 3G football pitches, completion of the wet play area at Victoria Park and Hydro energy generation measures at Radyr Weir.	1.9
Waste Management	Development of Lamby Way household waste recycling facility.	1.9
Housing Revenue Account – Public Housing	Estate regeneration, garage site improvements, investment in stock condition and remodelling, Disabled adaptations, development costs of new build housing and contribution to Citizen Hubs.	24.2
Other	Modernising ICT to improve business process, business investment grants, investment in arts venues, relinquishment of Global Link offices, day centre opportunities strategy and purchase of investment property.	5.2



Treasury Management:

The Council follows the CIPFA Treasury Management Code of Practice. At 31 March 2017, investments of £68.6m are deposited for various maturities with Financial Institutions and borrowing totals £674.0 million.

Counterparty	Country	Investment £000
Bank of Scotland	UK	8,000
Commonwealth Bank of Australia	Australia	12,000
Development Bank Singapore	Singapore	5,000
Goldman Sachs International Bank	UK	10,000
Lloyds - LAMS	UK	1,000
Nationwide Building Society	UK	10,000
Oversea-Chinese Banking Corporation	Singapore	5,000
Santander UK	UK	10,000
Standard Chartered Bank	UK	5,000
Standard Life Investments	Domiciled in Ireland	2,550
Total		68,550

Borrowing 31 March 2017

	Principal (£m)
Public Works Loan Board	617.2
Market and Other	56.8
Total Fixed Debt	674.0

The information contained in this summary is from the 2016/17 Statement of Accounts of Cardiff Council. The Accounts are available on the Cardiff Council website www.cardiff.gov.uk