

City of Cardiff Council Summary of Accounts 2015/16

Income and Expenditure

The Income & Expenditure Account below presents the cost of running Council Services for the 2015/16 financial year. It also shows where the money came from to finance these costs. The Service Expenditure analysis section has been provided as prescribed by CIPFA and the accounts are presented in the formats as required by a Code of Practice.

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	1,022.46
Police & Crime Commissioner for South Wales	199.86
Total	1,222.32

Net Proceeds from Council Tax	£000
Council Tax Collectible	(175,121)
Provision for Non-Payment	1,834
Total Council Tax Income	(173,287)

Total Council Tax income accounts for just over a quarter of the Council's net expenditure	At the end of March 2016 the provision for bad debt relating to council tax was £4.9m	The council collection for 2015/16 was

Non-Domestic Rates:

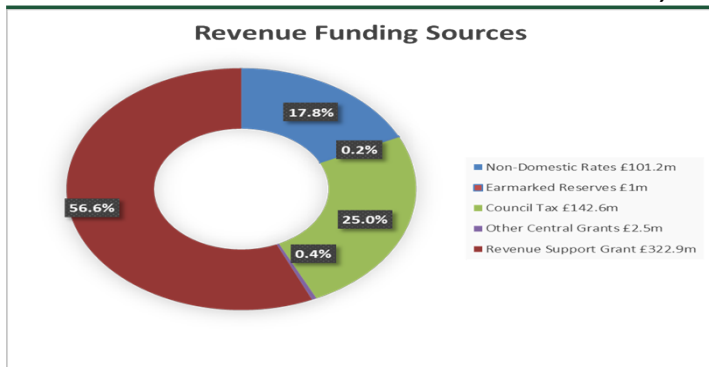
Non-Domestic Rates (NDR) are taxes levied based on the value of buildings used in business or for non-domestic purposes. The rates are set by the Welsh Government but collected by the Council. The funds are collected in one pool and redistributed to Councils on the basis of adult population.

Non-Domestic Rates Collectable	193,3
Cost of Collection Allowance	(8)
Provision for Non-Payment of NDR	(3,7)
Payment into National Pool	188,6
Redistribution from National pool	(101,2)

The Welsh Government 2015/16 NDR rate is 48.2p per pound of the business' rateable value	The net NDR collected by Cardiff for 15/16 totalled £189m. Cardiff received £101m after redistribution	The majority – 57% of total funding for the year 2015/16 is received through Grant from the Welsh Government

Income and Expenditure	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000
Central Services to the Public	47,725	(14,023)	33,702
Cultural & Related Services	59,698	(28,652)	31,046
Environmental & Regulatory Services	65,354	(35,041)	30,313
Planning Services	27,265	(23,349)	3,916
Children's & Education Services	404,374	(108,231)	296,143
Highways & Transport Services	64,534	(32,325)	32,209
Housing Revenue Account	161,634	(67,636)	93,998
Housing Services (Council Fund)	182,799	(177,143)	5,656
Adult Social Care	125,100	(22,556)	102,544
Corporate & Democratic Core	11,899	(396)	11,503
Non-Distributed Costs	3,656	3,798	7,454
Exceptional Item	187,392	0	187,392
Net Cost of Services	1,341,430	(505,554)	835,876
Police & Crime Commissioner Precept	27,880	0	27,880
Community Council Precepts	290	0	290
Levies & Contributions	16,798	0	16,798
(Gain)/loss on sale of fixed assets	10,618	(11,814)	(1,196)
Other Operating Expenditure	55,586	(11,814)	43,772
Interest Payable on debt	32,152	0	32,152
Pensions Interest Cost	16,618	0	16,618
Interest & Investment Income	0	(1,272)	(1,272)
Change in fair value of Investment Properties	488	0	488
Other Investment Income	1,092	(1,282)	(190)
Financing /Investment Income & Expenditure	50,350	(2,554)	47,796
Recognised Capital Grants & Contributions	0	(25,304)	(25,304)
Revenue Support Grant	0	(322,851)	(322,851)
Non-Domestic Rates	0	(101,253)	(101,253)
Council Tax Income	1,834	(175,121)	(173,287)
Other Central Grants	0	(3,344)	(3,344)
Taxation & Non-Specific Grant Income	1,834	(627,873)	(626,039)
Deficit on Provision of Services			301,405
Revaluation Gains			(134,348)
Revaluation Losses			73,310
Impairment losses on non-current assets charged to the Revaluation Reserve			591
Deficit on revaluation of available for sale financial assets			1,484
Actuarial (gains)/losses on pension assets/liabilities			(12,346)
Other Comprehensive Income & Expenditure			(71,309)
Total Comprehensive Income & Expenditure			230,096

Balance Sheet	31 March 2016	£000	£000
Property Plant & Equipment		1,674,646	
Investment Property		110,471	
Heritage & Intangible assets		54,457	
Long-term Investments		18,214	
Long-term Debtors		6,081	
Total Long Term Assets			1,863,869
Short-term Investments		54,215	
Assets held for Sale		2,819	
Inventories		2,139	
Short-term Debtors		86,498	
Cash and Cash Equivalents		17,352	
Total Current Assets			163,023
Short Term Borrowing		(16,148)	
Short Term Creditors		(85,297)	
Pension Strain		(2,354)	
Provisions		(10,486)	
Deferred Liabilities		(986)	
Total Current Liabilities			(115,271)
Long Term Borrowing		(659,408)	
Provisions		(28,325)	
Deferred Liabilities		(6,617)	
Capital Contributions Receipts in Advance		(9,933)	
Revenue Grants Receipts in Advance		(2,526)	
Capital Grants Receipts in Advance		(1,791)	
Pensions Strain		(4,891)	
Net Pensions Liability		(545,680)	
Total Long Term Liabilities			(1,259,171)
NET ASSETS			652,450
Financed by:			
Council Fund Balance		15,255	
Council Fund Earmarked Reserves		51,637	
Housing Revenue Account Balance		8,438	
HRA Earmarked Reserves		954	
Capital Receipts Reserve		5,423	
Usable Reserves			81,707
Revaluation Reserve		254,122	
Capital Adjustment Account		856,975	
Deferred Capital Receipts		2,049	
Available for Sale Financial Instruments Reserve		16,811	
Financial Instruments Adjustment		0	
Pensions Reserve		(552,925)	
Accumulated Absences Adjustment		(6,289)	
Unusable Reserves			570,743
TOTAL RESERVES			652,450



Movement on Council Fund Balance	£000
Balance at the end of the previous year	13,154
Surplus or (deficit) on the provision of Services (exc. Housing Revenue Account)	(19,108)
Adjustments between accounting basis & funding basis under regulations	39,022
Transfers to/(from) Earmarked Reserves	(17,813)
Increase/(Decrease) in 2015/16	2,101
Balance at the end of the current year	15,255

The Council Fund	Earmarked Reserves for 15/16	Earmarked Reserves
Balance of £15.255m represents accumulated surpluses retained by Cardiff Council	totalled £52.591m, including £12.728m of Schools Reserves	are sums of money put aside for specific uses. A detailed list can be found in the full Statement of Accounts

Housing Revenue Account (HRA)	£000
Income	
Dwelling rents	(61,103)
Non-dwelling rents	(89)
Charges for services and facilities	(6,444)
Total Income	(67,636)
Expenditure	
Repairs and maintenance	22,740
Supervision and management	17,862
Rents, rates, taxes and other charges	133
Housing Revenue Account subsidy payable	32
Provision for bad and doubtful debts	565
Depreciation, Impairment and Revaluation of non-current assets	120,169
Housing Revenue Account settlement payment	187,392
Debt management costs	66
Total Expenditure	348,959
HRA Services' share of Corporate and Democratic Core	67
Net Cost for HRA Services	281,390
HRA share of the operating income and expenditure	
(Gain)/loss on sale of HRA non-current assets	(1,855)
Interest payable and similar charges	13,015
Changes in fair value of investment properties	0
Interest and Investment income	(72)
Capital Grants and Contributions applied	(10,181)
Deficit for year on HRA services	282,297
Balance on HRA at end of previous year	(8,438)
Deficit for year on HRA services	282,297
Adjustments between accounting basis and funding basis under regulations and reserves	(283,013)
Transfers to/from Reserves	716
Net increase in the year on the HRA	0
Balance on HRA at end of current year	(8,438)

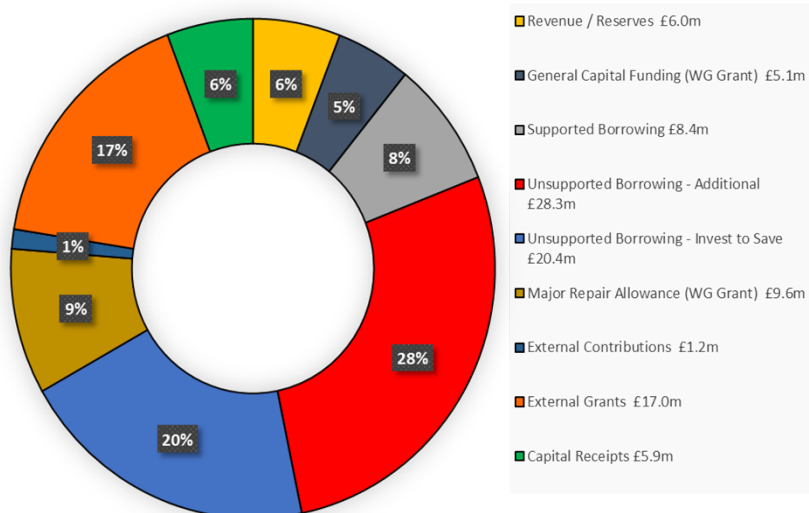
Balance on HRA at end of previous year	(8,438)
Deficit for year on HRA services	282,297
Adjustments between accounting basis and funding basis under regulations and reserves	(283,013)
Transfers to/from Reserves	716
Net increase in the year on the HRA	0
Balance on HRA at end of current year	(8,438)

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 £289.3 million, with the main items of expenditure described in the table below:

		£m
Housing Revenue Account (HRA) Subsidy System Exit Payment	One off settlement paid to Welsh Government funded by borrowing, to be able to retain all future rent income receivable from Council dwellings.	187.4
Housing & Neighbourhood Regeneration	Improvements to public housing, new build dwellings, disabled adaptations, local shopping parade and area regeneration.	28.3
Education & Lifelong Learning	Investment in property renewal, predominantly in relation to new and refurbished schools.	22.8
Highways & Transportation	Road resurfacing, street lighting, road safety, public transport and energy efficiency improvements. Implementation of the cycling strategy as well as pedestrian and junction improvements.	11.5
Leisure Facilities and Citizen Hubs	Redevelopment of Eastern Leisure Centre, Insole Court and new STAR hub and pool.	11.9
Economic Development	Land acquisition in respect of the Central Square and grants for superfast broadband.	12.3
Other	Includes energy and waste schemes, capitalisation direction, parks and ICT.	15.1

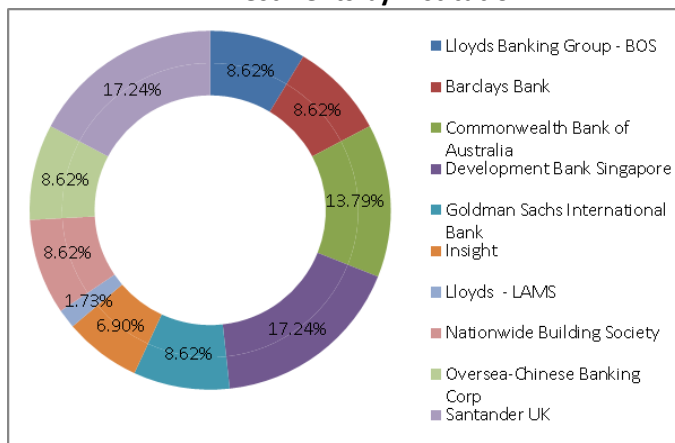
Funding of Capital Expenditure (Exc HRA Exit Payment)



Treasury Management:

The Council follows the CIPFA Treasury Management Code of Practice and is compliant with the Prudential Code of Capital Finance in Local Authorities. Investments of £58m are deposited for various maturities with Financial Institutions at 31 March 2016

Investments by Institution



Borrowing 31 March 2016

	Principal (£m)	Average Rate (%)	Average Life (years)
Public Works Loan Board	612.8	4.91	27.31
Market and Other	53.3	4.03	43.81
Total Fixed Debt	666.1	4.84	28.63

'The information contained in this summary is from the 2015/16 Statement of Accounts of City of Cardiff Council. The Accounts are available on the Cardiff Council Website www.cardiff.gov.uk .