



<b>Title of Report:</b>	<b>Annual Accounts 2022/23</b>
<b>Report Submitted To:</b>	<b>Council</b>
<b>Date of Meeting:</b>	<b>25 September 2023</b>
<b>For Decision or For Information</b>	<b>For decision</b>
<b>To be discussed In Committee YES/NO</b>	<b>No</b>

<b>Linkage to Council Strategy (2021-25)</b>	
Strategic Theme	Cohesive Leadership
Outcome	Council has agreed policies and procedures and decision making is consistent with them.
Lead Officer	Chief Finance Officer

<b>Budgetary Considerations</b>	
Cost of Proposal	
Included in Current Year Estimates	<b>YES/NO</b>
Capital/Revenue	Revenue
Code	
Staffing Costs	

<b>Legal Considerations</b>	
Input of Legal Services Required	<b>YES/NO</b>
Legal Opinion Obtained	<b>YES/NO</b>

<b>Screening Requirements</b>	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date:
	EQIA Required and Completed:	Yes/No	Date:
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date:
	RNA Required and Completed:	Yes/No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date:
	DPIA Required and Completed:	Yes/No	Date:

## **1.0 Purpose of Report**

- 1.1 The purpose of this report is to present the annual accounts for Causeway Coast and Glens Borough Council for the financial year ended 31 March 2023 for approval.

## **2.0 Background**

- 2.1 Councils and other public bodies are required to prepare and submit to the Department for Communities (DfC) by 30 June each year their annual accounts for the previous financial period, I can confirm Council complied with this requirement. Under current regulation the approval of the accounts now occurs after completion of the audit meaning Council are approving what will eventually be published. Northern Ireland Audit Office (NIAO) are in the process of completing their work in this regard and the accounts are presented in conjunction with the reports from NIAO.

## **3.0 Detail**

- 3.1 Attached as an appendix is a draft copy of the Annual Statement of Accounts for Causeway Coast and Glens Borough Council. At the time of writing this report NIAO are still completing aspects of the audit therefore the accounts being approved may contain a few amendments when compared to the accounts appended, any such changes will be advised verbally at the Council meeting, these are not expected to be significant.
- 3.2 Income and Expenditure that was controlled by Budget Holders is £5,345k (page 85) surplus to budget. The surplus includes an accounting adjustment for long term provisions arising as a result of a significant change in interest rates, inflation and hence the discount factors used in provision calculation amounting to £2,964k and rates finalisation of £324k. The Financial Recovery Reserve was increased by £152k leaving a balance at 31 March 2023 of £9,040k.
- 3.3 The Comprehensive Income and Expenditure Statement (CIES) recorded within the Annual Accounts includes expenses outside the control of Budget Holders. It includes property, provisions and pension revaluations and accumulated absences. Some of these adjustments are accounting entries or future long-term liabilities that are based on pension assumptions and will only materialize on retirements.
- 3.4 The main figure members will be interested in can be found in being the Movement in Reserves statement which details an in-year movement in the General Fund Summary of a increase of £86k giving a carrying total of £4,591k. Under regulation we are recommended to carry a minimum fund balance in the range of 5% to 7.5% of our Net Operating Expenditure (£59,420k) which

translates into a recommended balance between £2,971k and £4,457k. Causeway Coast and Glens Borough Council is compliant with these recommendations.

- 3.5 Whilst the result is slightly favourable it should be noted that in addition Council has increased other useable reserves by £1,338k to a total of £18,823k. The major contribution to this increase was the transfer into the Sinking fund (£646k) and the Election Reserve (£450k) the purposes of which are to meet any future interest only loan maturity and election costs respectively, additionally the Financial Recovery Reserve has improved by £152k in the year.

The breakdown of these reserves is shown in the table below:

<b>Transfers to and from Earmarked Reserves (General Fund Appropriations)</b>							
	01 April 2021	Transfers In	Transfers Out	31 March 2022	Transfers In	Transfers Out	31 March 2023
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Repairs & Renewals Fund	1,243	540	0	1,783	0	0	1,783
Sinking Fund	5,064	0	0	5,064	686	0	5,750
Election Reserve	420	30	0	450	450	0	900
Area Planning Reserve (APR)	270	30	0	300	50	0	350
Reorganisation Reserve	609	391	0	1,000	0	0	1,000
Financial Recovery Reserve	4,488	4,400	0	8,888	2,010	1,858	9,040
<b>Total Earmarked Reserves</b>	<b>12,094</b>	<b>5,391</b>	<b>0</b>	<b>17,485</b>	<b>3,196</b>	<b>1,858</b>	<b>18,823</b>
<b>Net Transfer (From) / To General Fund</b>				<b>(5,391)</b>			<b>(1,338)</b>

- 3.6 The Financial Performance Outturn is detailed in the following table:

#### Financial Performance - Outturn

For the year ended 31 March 2023 the Council increased its General Fund by £86,498. The movement in the General fund is analysed in the table below:

	Actual	Budget	Variance
	£'000's	£'000's	£'000's
Cost of Services on Continuing Operations	(43,697)	(48,690)	4,993
Financing and Investment Income and Expenditure	<u>(1,732)</u>	<u>(1,918)</u>	<u>186</u>
Net Operating Expenditure	(45,429)	(50,608)	5,179
Taxation and Non-Specific Grant Income	<u>54,949</u>	<u>55,530</u>	<u>(581)</u>
<b>Surplus on the Provision of Services</b>	<b>9,520</b>	<b>4,922</b>	<b>4,598</b>
Minimum Revenue Provision	(7,139)	(6,754)	(385)
<b>Surplus</b>	<b>Note 2a</b>	<b>2,381</b>	<b>(1,832)</b>
Transfers to Landfill Regulation Reserve	(954)		
T/fers (to) / from Provision for Discount Rate Reserve	0		
T/fers (to) / from Usable Reserves	(1,338)		
Adjustments	Note 2a	(3)	
<b>Movement in the General Fund</b>	<b>86</b>	<b>(1,832)</b>	<b>4,213</b>
Balance brought forward	4,505		
<b>General Fund as at 31st March 2023</b>	<b>4,591</b>		

**3.7** Overall Council expenditure was favourable to budget by £0.282m despite increased staffing costs due to higher than budgeted pay awards (£0.678m over budget), increased premises costs including insurances and energy (£0.643m over budget). These overspends were mitigated by gapping of vacant posts, reduced property maintenance programmes and reduced service costs where the impact on the service was minimised.

**3.8** In addition to close control of expenditure Council income for the year was £4.316m favourable against budgeted however this figure includes an accounting adjustment relating to changing discount rates used in the calculation of our landfill provisions, the effect of these rate changes was a benefit to Council of £2.964m. Adjusting for this non-cash item the income streams were favourable against budget by £1.352m, the main contributing areas being Holiday and Leisure Parks and Off Street Car Parking and Rates finalisation. Taking this into account and also an adverse variance in respect of capital financing costs (Minimum Revenue Provision) of £0.385m the adjusted deficit for the year is £0.583m against a budgeted deficit of £1.832m. During the year the level of Rates Support Grant received by Council was significantly reduced meaning the final receipt was £933k below what had been estimated in the annual budget, without this significant impact on Rates Support Grant Council would have been able to reverse the budgeted deficit of £1.83m and generate an operational in-year surplus for 2022/23.

#### **4.0 Recommendation**

**It is recommended** that the Council approves of the adoption of the annual statement of accounts as presented and where applicable any amendments notified during the meeting, including the approval of the various transfers to and from the various reserves.



# **Causeway Coast & Glens Borough Council**

**Annual Financial Statements for the year ended 31st March 2023**

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**Narrative Report****Introduction**

These financial statements have been prepared in line with the Code of Practice on Local Authority Accounting in the United Kingdom 2021 (the Code) and the Department for Communities Accounts Direction, Circular DOE Accounts Direction Circular LG 07/2023. It is the purpose of this foreword to explain, in an easily understandable way the financial facts in relation to the Council.

This Statement of Accounts explains Causeway Coast and Glens Borough Council's finances during the financial year 2022/23 and its financial position at the end of that year. It follows approved accounting standards and is necessarily technical in parts.

The Narrative Report provides information about Causeway Coast and Glens Borough Council including key issues affecting the Council and its accounts. The Narrative Report focuses on the matters that are of relevance to the principal users of the Statement of Accounts. As well as complementing and supplementing the information provided in the accounts, it also provides a look at the issues that have affected the Council's development, performance and position during 2022/23 and are likely to impact in the future.

**Organisational Overview and External Environment**

Causeway Coast and Glens borough encompasses the majority of the North Coast of Northern Ireland with over 140km of coastline with the North Atlantic from Lough Foyle to the Glens of Antrim. The area includes a World Heritage Site in the famous Giant's Causeway and also three areas of outstanding natural beauty taking in Binevenagh, the Causeway Coast and the Glens of Antrim. On top of this the borough is home to a number of prestigious events including the North-West 200, SuperCupNI (formerly the Milk Cup) and festivals such as The Auld Lammas Fair. Consequently the area attracts thousands of tourists and visitors every year.

The Borough has a population of just over 140,000 and covers an area of around 2,000 sq km making it the second largest Council in terms of area in Northern Ireland.

The Council has net expenditure of £59 million in 2022/23. It is structured into three strategic Directorates: Environmental Services, Leisure and Development, and Corporate Services. The Vision of Council is to maximise the benefits of our unique location and landscape by providing ambitious, accessible, innovative and efficient services which fulfill customer expectations.

Causeway Coast and Glens Borough Council staff, led by 40 Councillors across seven District Electoral Areas (DEA's), carry out six principal duties:

- a civic leadership role to ensure a better quality of life for citizens;
- provision of a number of services and facilities including planning, leisure and recreation, waste collection and disposal, recycling and community services;
- promoting the arts, tourism, community and economic development;
- regulating and licensing activities relating to environmental health, consumer protection, building regulations and public safety;
- a representative role on a number of bodies and boards, including education, health and housing; and
- a consultative role in relation to functions conducted by other government bodies and agencies such as planning, water, roads and housing.

With our role in leading community planning in the Borough we have published the Causeway Coast and Glens Community Plan 2017 - 2030, outlining priorities for the Borough which will require collaboration with key partners to ensure delivery of these ambitions for the Borough.

**Operational Model**

Each year the Council must ensure it has the resources it needs to deliver services to the standard expected by its ratepayers. Budget plans are submitted to Council for approval regarding what is planned to be done and the estimated cost of providing these services. This helps Council understand what funding is required and where to strike the "rate " for the Borough to raise this level of revenue.

**Governance**

Governance looks at areas such as risks, opportunities, strategy, resource allocation and outlook. The Annual Governance Report included as part of these Annual Financial Statements gives details on all these areas and any implications or remedies implemented.

**Corporate Risk**

The Council has an embedded process to manage any risks and assist with the achievement of its strategic objectives alongside performance targets. The Corporate Risk Register plays an integral role in the production of the Corporate Strategy and is subject to review by the Audit Committee.

The Council's key corporate risks are:

- Reputational Risk
- Security threat to ICT systems
- Finance
- Planning
- Law and Compliance

The operation of Causeway Coast and Glens Borough Council is governed by the committee structure. At the top of the structure sits the full council which is supported by the working committees in each of the areas listed below:

#### Council

- Elected Members
- Chief Executive Mr D Jackson

#### Leisure & Development

- Director of Leisure & Development (Mr R Baker)
  - Community & Culture
  - Prosperity & Place
  - Sport & Well-Being
  - Tourism & Recreation
  - Funding Unit
  - Strategic Projects

#### Environmental Services

- Director of Environmental Services (Mr A McPeake)
  - Estates
  - Health & Built Environment
  - Infrastructure
  - Operations

#### Corporate Policy & Resources

- Director of Corporate Services (Mrs M Quinn)
  - Members
  - Registrar
  - Corporate Services
  - Performance \*
  - Legal Services \*

#### Financial Services

- Chief Finance Officer (Mr D Wright)

#### Planning

- Head of Service of Planning (Mrs D Dickson)

\* These departments report directly to the Chief Executive and separately report to the Corporate Policy and Resources Committee - the remaining departments channel their reports via the Director of Corporate Services.

Further details of the Council's governance framework and arrangements are included in the Annual Governance Statement on pages 7 to 21.

**Strategic Performance**

The requirement for the Council to have in place an annual Performance Improvement Plan is set out within the Performance Duty of the Local Government Act (NI) 2014. Council published its plan for 2022/23 on 30th June 2023. This plan highlighted six areas requiring performance improvement including Citizen engagement, promotion of Council services, staffing, Planning Indicators, Licencing and engagement with young people.

**Financial Statements**

The Council's financial performance for the year ended 31 March 2023 is as set out in the Comprehensive Income and Expenditure Statement and its financial position is as set out in the Balance Sheet and Cash Flow Statement.

**Group Accounts**

The Code requires Local Authorities to consider all their interests and to prepare a full set of group financial statements where they have material interests in subsidiaries, associates or joint ventures. The Causeway Coast and Glens Borough Council does not have material interests in such bodies and accordingly is not required to prepare group financial statements.

**The Movement in Reserves Statement**

This Statement, as set out on page 30 shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves.

The Surplus or (deficit) on the provision of services' line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. This is different from the statutory amounts required to be charged to the General Fund for Local Tax purposes. The Net increase / (decrease) before transfers to statutory and other reserves line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Council.

**The Comprehensive Income and Expenditure Statement**

This statement, as set out on page 31 shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Councils raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

**The Balance Sheet**

The Balance Sheet, as set out on page 32 shows the value as at the Balance Sheet date of the Council's assets and liabilities. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council. Reserves are reported in two categories.

The first category of reserves are usable reserves, i.e. those reserves that the Council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt).

The second category of reserves are those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding under regulations'.

**The Cash Flow Statement**

The Cash Flow Statement, as set out on page 33 shows the changes in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

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

**Investing** activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery.

Cash flows arising from **financing** activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

**Expenditure and Funding Analysis**

The objective of the Expenditure and Funding Analysis as set out on page 48 is to demonstrate to ratepayers how the funding available to the authority (ie government grants, rates and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

**Financial Performance****Outturn**

For the year ended 31 March 2023 the Council increased its General Fund by £86,498. The movement in the General fund is analysed in the table below:

	Actual	Budget	Variance
	£'000's	£'000's	£'000's
Cost of Services on Continuing Operations	(43,697)	(48,690)	4,993
Financing and Investment Income and Expenditure	<u>(1,732)</u>	<u>(1,918)</u>	<u>186</u>
Net Operating Expenditure	(45,429)	(50,608)	5,179
Taxation and Non-Specific Grant Income	<u>54,949</u>	<u>55,530</u>	<u>(581)</u>
<b>Surplus on the Provision of Services</b>	<b>9,520</b>	<b>4,922</b>	<b>4,598</b>
Minimum Revenue Provision	(7,139)	(6,754)	(385)
<b>Surplus</b>	<b>Note 2a</b>	<b>2,381</b>	<b>(1,832)</b>
Transfers to Landfill Regulation Reserve	(954)		
T/fers (to) / from Provision for Discount Rate Reserve	0		
T/fers (to) / from Usable Reserves	(1,338)		
Adjustments	Note 2a	(3)	
<b>Movement in the General Fund</b>	<b>86</b>	<b>(1,832)</b>	<b>4,213</b>
Balance brought forward	4,505		
<b>General Fund as at 31st March 2023</b>	<b>4,591</b>		

Overall Council expenditure was favourable to budget by £0.282m despite increased staffing costs due to higher than budgeted pay awards (£0.678m over budget), increased premises costs including insurances and energy (£0.643m over budget). These overspends were mitigated by gapping of vacant posts, reduced property maintenance programmes and reduced service costs where the impact on the service was minimised.

In addition to close control of expenditure Council income for the year was £4.316m favourable against budgeted however this figure includes an accounting adjustment relating to changing discount rates used in the calculation of our landfill provisions, the effect of these rate changes was a benefit to Council of £2.964m. Adjusting for this non-cash item the income streams were favourable against budget by £1.352m, the main contributing areas being Holiday and Leisure Parks and Off Street Car Parking and Rates finalisation. Taking this into account and also an adverse variance in respect of capital financing costs (Minimum Revenue Provision) of £0.385m the adjusted deficit for the year is £0.583m against a budgeted deficit of £1.832m. During the year the level of Rates Support Grant received by Council was significantly reduced meaning the final receipt was £933k below what had been estimated in the annual budget, without this significant impact on Rates Support Grant Council would have been able to reverse the budgeted deficit of £1.83m and generate an operational in-year surplus for 2022/23.

**Unusual charges or income**

Section 19(3) of the Local Government Finance Act (Northern Ireland) 2011 allows the Department for Communities to issue capitalisation directions to the councils. This permits specified items of expenditure normally classified as revenue to be treated as capital expenditure.

**Revenue expenditure funding capital under statute (REFCUS)**

REFCUS is applied in circumstances where Council incurs capital expenditure on assets which are not owned by the Council directly.

	2022/23
	£'000's
Public Realm Capital Schemes accounted for within Asset Under Construction written off (Note 11 refers)	27
Capital Grants awarded to Community Groups	60
<b>Total Gross Capital Expenditure subject to REFCUS</b>	<b>87</b>
Capital Grants released from Capital Grants Received in Advance (Note 23a refers)	(763)
<b>Net Increase in General Fund / Decrease in Capital Adjustment Account</b>	<b>(676)</b>

**Capital Expenditure**

Capital Expenditure amounted to £8,530,930 during the year - (Note 11a refers). The main items of capital expenditure are set out below.

	2022/23	2021/22
	£'000's	£'000's
Harbours	389	395
ICT Equipment including Intangible Licences	357	0
Public Realm Projects	3,221	831
Plant and Equipment	515	0
Sport & Well Being Projects	867	11
Peace IV Capital Projects	0	15
Sundry	9	0
Other Vehicles	479	258
Environmental Services Projects	470	161
Leisure and Development Projects	0	1,938
Finance System	364	147
Tourism Projects	238	0
Civic Projects	0	60
Community Projects	143	0
Planning Projects	337	236
Refuse Vehicles	917	0
Car Parks	128	0
Village Renewal Projects	97	75
	<b>11a / 11b</b>	<b>8,531</b>
		<b>4,127</b>

**Borrowings**

For the 2022/23 year Council has an authorised borrowing limit of £80 million. This is based on the Council's forecast capital expenditure plans over the medium to long term. There were no new loans drawn down in 2022/23.

The Council's net debt position is as follows:

Net Debt		2022/23	2021/22
		£'000's	£'000's
Short Term Borrowing	15a	6,504	4,869
Long Term Borrowing	15b	49,972	56,476
<b>Total Borrowings</b>	<b>15b</b>	<b>56,476</b>	<b>61,345</b>
Cash And Cash Equivalents	25c	19,183	18,440
<b>Total Investments and Cash Equivalents</b>		<b>19,183</b>	<b>18,440</b>
<b>Total Net Debt</b>		<b>37,293</b>	<b>42,905</b>

**Provisions**

During the year, landfill provision showed a decrease of £2,903,147.

The primary cause of the reduction in landfill provision was the changes to the discount rates Council are required to apply to future cashflows. This resulted in a reduction of £2,963,939. Provision of £59,699 was made in relation to landfill capacity of which £1,094 was utilised in year.

**Pensions**

In 2015 as a consequence of Local Government Reform Planning staff previously employed by Central Government became employees of the Causeway Coast and Glens Borough Council. Most of these staff remain members of the Civil Service Pension Scheme and contributions of £255,825 (2021-£245,106) were made by Council on their behalf to this pension scheme.

Employees of the former Legacy Councils continued as members of the NILGOSC pension scheme and Council contributed £3,446,783 (2022-£3,350,598) in regular payments to this scheme together with payments of £11,533 (2022- £169,717) in respect of early year retirement payments.

The NILGOSC pension liability decreased by £42,150,000 from £39,278,000 to create a pension surplus (disclosed under Long Term Assets) of £2,872,000 (Note 21c to the accounts refers).

**Post Balance Sheet Events**

There are no significant post balance sheet events to report at this time.

**Going Concern**

These financial statements have been prepared on a going concern basis.

**Significant changes in Accounting Policies**

There have been no changes in accounting policies (as described from page 34 to 47) from the previous year.

**Significant changes in Statutory Functions**

There have been no changes to statutory functions from the previous year.

**Outlook****Rates set for ensuing year**

Council passed a rates increase of 7.95% for domestic properties and 4.79% for non-domestic properties 2023/24 (3.49% for both 2022/23).

**Economic Climate**

Since its formation in 2015 Causeway Coast and Glens Borough Council has strove to deliver the expected efficiencies resulting from Local Government Reform. In doing so the Council has faced significant budgetary challenges, in particular the pressures on Central Government to cut costs leading to a reduction in Central Government funding.

The aftermath of the global pandemic coupled with the situation in Ukraine has seen a massive change in Economic outlooks as the relatively stable and low inflation levels enjoyed for a number of years have been replaced with double digit inflation figures and have resulted in the Bank of England repeatedly increasing interest rates in an attempt to control this inflation. It is hard to see any significant improvement in both inflation and interest rates in the short term therefore the "Cost of Living" crisis looks set to continue for a time at least meaning the upward pressure on wages especially will continue into the next financial year.

This will add more pressure to already stretched budgets and make it extremely difficult for officers to continue to deliver service and remain within budget. Furthermore the rates setting process for 2024/25 will be extremely challenging given the budgeted deficit for 2023/24 is £2.6m which is effectively 5% on the rates before taking into account any cost pressures for 2024/25.

**Statement of the Council's and Chief Financial Officer's Responsibilities for the Statement of Accounts****The Council's Responsibilities**

Under Section 1 of the Local Government Finance Act (Northern Ireland) 2011 a council shall make arrangements for the proper administration of its financial affairs. A council shall designate an officer of the council as its Chief Financial Officer and these arrangements shall be carried out under the supervision of its chief financial officer.

Under Regulation 7 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 the Council, or a Committee, is required by resolution, to approve the accounts.

These accounts were approved by the Chief Executive on the 25th September 2023.

**The Chief Financial Officer's Responsibilities**

Under Regulation 8 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015, the Chief Financial Officer is responsible for the preparation of the Council's Statement of Accounts in the form directed by the Department for Communities.

The accounts must give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year.

In preparing this Statement of Accounts, the Chief Financial officer is required to:

- observe the Accounts Direction issued by the Department for Communities including compliance with the Code of Practice on Local Authority Accounting in the United Kingdom
- follow relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis, and
- make judgements and estimates that are reasonable and prudent.

The Chief Financial Officer is also required to:

- keep proper accounting records that are up-to-date, and
- take reasonable steps for the prevention and detection of fraud and other irregularities.

**Annual Governance Statement****Scope of Responsibility**

Causeway Coast and Glens Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiency and effectively.

Causeway Coast and Glens Borough Council also has a duty under Local Government (Best Value) Act (Northern Ireland) 2002 to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Causeway Coast and Glens Borough Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Causeway Coast and Glens Borough Council has prepared an Annual Governance Statement which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. This statement explains how Causeway Coast and Glens Borough Council meets the requirements of Regulation 4 of the Local Government (Accounts and Audit) Regulations (Northern Ireland 2015) in relation to the publication of a statement on internal control.

**The Purpose of the Governance Framework**

Council's governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables Causeway Coast and Glens Borough 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 system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place for the year ended 31 March 2023 and up to the date of approval of the financial statements.

**The governance framework**

The key elements of the systems and processes that comprise the Council's governance arrangements include the following:

**1. Identifying and communicating the Council's vision of its purpose and intended outcomes for citizens and service users.**

Council adopted a new Corporate Strategy for 2021-2025 in February 2021.

This Corporate Strategy was developed following a consultation process involving Councillors and senior managers within Council although the process was significantly delayed due to the pandemic. Council staff were asked for their comments on the new Strategy document via the Staff Newsletter. Further effective public consultation, however, proved difficult due to the impact of the Covid-19 pandemic but a copy of the new Corporate Strategy has been placed on the Council website with the Council welcoming any comments on it from the public. A hard copy of the Council Strategy will not be published at this time.

The new Corporate Strategy sets out the Council's Vision for the Borough, its Mission Statement and priority Strategic Themes. The Council has identified five priority strategic themes as follows:

- Cohesive Leadership
- Local Economy
- Improvement and Innovation
- Healthy, Active and Engaged Communities
- Climate Change and Our Environment

Outcomes and indicators have been developed under each priority theme and these will provide a framework for decision and investments across the timeframe of the Corporate Strategy. However, the delay in the development of the new Corporate Strategy caused by the impact of the pandemic enabled Council to identify and factor into the new Strategy the challenges and impacts on the Council and our Borough of the Covid-19 pandemic. As a result it is recognized that the Strategy should be seen as a "living" document and be reviewed on a regular basis (at least annually). It must evolve to meet the emerging understanding and context created by the impacts of Covid-19 in our area.

The Corporate Strategy review Workshop was held on 13th September 2023. There was positive engagement with Elected Members, and discussion on Vision, Mission and Values. It was agreed that a further workshop would take place to progress with the review of the current Strategy and development of the future Strategy.

Causeway Coast and Glens Borough Council was tasked by the Local Government Act (NI) 2014 to lead, maintain and facilitate the community planning process in Causeway Coast and Glens. It has worked with its Statutory Partners to develop the Causeway Coast and Glens Community Plan. The Community Plan was formally signed off by the Community Planning Strategic Partnership in April 2017 and was formally launched in June 2017.

Ten Councillors were nominated to participate on behalf of Council on the Strategic Partnership and they have been closely involved in the work of the Community Planning Partnership.

The development of the Community Plan involved; a detailed statistical analysis of the Causeway Coast and Glens area; an extensive community engagement/consultation exercise; the establishment of thematic working groups to develop population outcomes and indicators; mutual agreement by the members of the Community Planning Strategic Partnership of the final version of the Plan.

The next stage in the process of community planning involved taking the outcomes identified within the Plan and developing a Delivery Plan, which identified actions necessary to achieve the Population Outcomes in the Plan. This work commenced in June 2017, and finalized in June 2018 with the launch of the Delivery Plan for the Community Plan.

This Delivery Plan identified 44 practical collaborative actions to take forward the high level outcomes identified in the Community Plan itself. The Delivery Plan was based on the work of a number of Delivery Design Groups which included representatives from the statutory partners along with a range of support partners from other appropriate organisations.

A review of the Delivery Plan was undertaken in 2020 and, although this was challenging due to the pandemic, a full review was completed and a revised Delivery Plan with 34 actions was adopted by the Community Planning Partnership in December 2020.

The community planning process also involved the implementation of a monitoring and reporting process overseen by the Strategic Partnership and this commenced in June 2018. Each Action Lead identified in the Delivery Plan was required to complete a report card outlining progress on their action. This reporting process takes place on a quarterly basis with summarised reports on progress submitted and considered by the Strategic Community Planning Partnership at their quarterly meetings.

The legislation also requires the publication of a Statement of Progress every two years from the publication of the Community Plan. Causeway Coast and Glens first Statement of Progress was published in November 2019 and, on the whole, was able to demonstrate positive changes within the Borough. The second Statement of Progress was published in November 2021.

The Strategic Partnership are now in the process of undertaking a review of the Community Plan Strategic Framework as well as again reviewing the Delivery Plan to assess and meet the challenges of Covid-19 and the current cost of living impacts as well as other issues of concern such as climate change .

The review of the Delivery Plan resulted in 31 actions being identified and the quarterly monitoring and reporting process agreed and implemented by the Community Planning Partnership continues to assess progress against these actions.

Causeway Coast and Glens Borough Council has commenced work on a new Local Development Plan (LDP) for the Borough. The LDP is the spatial reflection of the Community Plan and provides an opportunity to develop a new planning framework specific to Causeway Coast and Glens Borough Council area, balancing the development needs of the Borough with the protection of our built and natural assets.

Following publication of the LDP: Preferred Options Paper (POP) in June 2018 for comment, during 2019/20 the Planning Department analysed the representations received and commenced the drafting of strategic planning policies to be published in the LDP: Draft Plan Strategy.

Towards the end of the 2019/20 and throughout 2020/21 reporting period Government/Public Health Agency (PHA) advice in relation to the Covid-19 outbreak resulted in the postponement of planned LDP Consultee and Stakeholder Meetings and Member Workshops. However, this work has resumed during the end of Q2 of 2021/22 reporting period. As a result of the delays an updated Timetable has been agreed with the Planning Appeals Commission and the Department for Infrastructure. In addition, due to the implications of the Covid restrictions, the Statement of Community Involvement has been updated and agreed with DfI to reflect changes to availability of documents. Public Consultation on the Draft Plan Strategy will be undertaken in line with the Council's published LDP Timetable and any future Government/PHA advice.

During 2021/22 work continued on research and analysis of evidence. Topic-based papers have been circulated to internal and external stakeholders for comment. Draft policies for the LDP Draft Plan Strategy have been presented to Members at workshops for input and discussion and only one workshop remains to be held. The Planning Steering Group met in January 2022 and agreed the first set of draft policies. Sustainability Appraisal days took place in March 2022 in relation to this first batch of policies. To date the LDP Draft Plan Strategy continues to progress.

## **2. Reviewing the Council's vision and its implications for the Council's governance arrangements.**

The vision of the Causeway Coast and Glens Borough Council over the 2021-2025 timeframe is to

“Maximise the benefits of our unique location and landscape by providing ambitious, accessible, innovative and efficient services which fulfil customer expectations”

The mission of the Council for 2021-2025 is to

“Improve the quality of life and well-being for all of our citizens and visitors by:

- Providing effective and sustainable local public services.
- Improving economic prosperity.
- Ensuring local communities are at the heart of decision making.
- Protecting, promoting and enhancing our unique natural environment and assets.
- Advocating for the area and our citizens in both local and international arenas”.

The Causeway Coast and Glens Borough Council will deliver its services and meet its responsibilities to ratepayers and communities across the Council area by adhering to the following values : Fairness, Excellence, Sustainability and Efficiency, Empowerment and Improvement.

All reports presented to Council identify the Strategic Theme, ensuring alignment with Council objectives. A template has been developed for Committee and Council reports which clearly identifies the linkage to the Council Strategy with officers required to identify the Strategic Theme and Outcome the subject of the report will contribute to.

The corporate risk register identifies the factors which could prevent achievement of these objectives and each risk is assigned to a member of the Senior Management Team (SMT). The Corporate Risk Register is updated by SMT and presented to Audit Committee on a quarterly basis.

### **3. Measuring the quality of services for users through the Citizen Satisfaction Survey, for ensuring they are delivered in accordance with the Council's objectives and for ensuring that they represent the best use of resources.**

Council is committed to providing quality services aligned to its strategic objectives and has commenced developing business plans for all key services.

The business plan template requires officers to identify relevant actions under each Strategic Theme and related Outcome. These actions are supported by key performance indicators, timescales, lead officers, identification of internal and external partners and how the action links to the Council's Performance Plan.

Council continue to monitor, review and take corrective action as necessary in striving to achieve maximum satisfaction with council services, within the allocated resources.

During the year Council considered all available information in deciding how best to deliver the services within the area.

Council revised its Comments, Complaints and Compliments Policy in 2018 to include a process to deal with complaints made against the Chief Executive. A copy of the revised policy is available on Council's website.

In June 2021, through the 2021/22 Performance Improvement Plan, Council began to work on an Improvement Objective to increase our levels of engagement with citizens. Primary amongst this was the development, rollout, and completion of CCG's first Citizen's Survey. This survey was successfully conducted with 2,268 respondents. In the Council's Self-Assessment of Performance in September 2022 the Council reported this success and set out the following next steps:

"The success of this Survey will stretch beyond this one-year cycle of Performance Improvement Plan reporting, as it has provided valuable information and data that can be used moving forward to help identify areas for improvement as well as benchmarking citizen's perceptions of the standard of Council's performance."

This indeed has been the success of the survey as it has provided additional and statistically relevant data sets for Services to help shape the decisions that they make.

Moving forward, Council is focusing on rolling out a Second Citizen's Survey in advance of a new Corporate Strategy in 2025. This 2nd Citizens Survey will be a significant mechanism for further gaging the ratepayers' opinions and will most likely be conducted during the Summer of 2024.

Furthermore, Council is currently engaging on its proposed Improvement Objectives for 2023/24 and has received just under 100 responses.

**4. Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication.**

The roles and responsibilities of the Members of Council are defined by the Northern Ireland Code of Local Government Conduct, which is now mandatory, effective from 28th May 2014.

Council was awarded Charter Status for Elected Member Development in January 2023. Training continues to be delivered to all members, as soon as they come into office. As part of Council's induction programme, mandatory training in terms of standing orders, code of conduct and scrutiny and challenge is provided. Council also adopted role profiles for the Mayor, Deputy Mayor and Councillors.

Roles and responsibilities of Senior Officers are defined by job description, job specification, and terms and conditions of employment. Formal staff appraisals are currently in place for the Senior Management Team (SMT), and this process is currently being developed in line with Leadership and Development Management Programme.

All internal policies and procedures are available on Council's staff intranet for information, and are also included as part of the induction process for all new employees.

All Directors report to Council on a monthly basis, on areas of responsibility, and ensure Council are kept informed of progress within each service area.

In terms of decision making, all decisions taken by Committee are ratified by full council, with the exception of Planning Committee which has full council powers. There are 6 committees of Council and the meeting schedule is as follows:

- Tuesday Week 1 – Council Meeting
- Tuesday Week 2 – Environmental Services Committee
- Thursday Week 2 – Finance Committee
- Tuesday Week 3 – Leisure and Development Committee
- Tuesday Week 4 – Corporate Policy and Resources Committee
- Wednesday Week 4 – Planning Meeting
- Quarterly – Audit Committee

Scrutiny is provided by the Audit Committee, Internal Audit (co-sourcing arrangement) and the Local Government Auditor, and an Independent Member sits on the Audit Committee.

There are also a number of Sub-Committees and working groups which have either Terms of Reference agreed by Council, or are tasked with a particular project.

Council currently communicates with wider stakeholders through various engagement processes, meetings, Council Website, Social Media and through press and media releases. Internal communication systems include Council's intranet, Staff newsletter, email, written correspondence, working group minutes and a mixture of formal and informal team meetings.

Council developed a Citizens Newsletter in 2017/18 and this continued to be produced and circulated to all households in the Borough during 2022/23.

## **5. Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff.**

### **Codes of Conduct of Members**

The Northern Ireland Local Government Code of Conduct for Councillors came into force on 28th May 2014. All members are trained annually on the code, with training provided to new and co-opted members as soon as possible.

A Register of Interests is maintained and updated on an annual basis, or as and when required. In terms of travel and subsistence claims, Councillors are required to complete a claim form (submitted with receipts as appropriate) and sign a declaration regarding their claim.

Council adopted a Gifts and Hospitality Policy for Elected Members and Employees in March 2022 which has been circulated to all Members and Employees and annual reminders will be issued. A register of gifts and hospitality is maintained by the Democratic Services Department and this is updated when relevant information is provided by a member of staff and elected members.

### **Codes of Conduct for Officers**

Council has adopted the revised "Code of Conduct for Local Government Officers", issued by the Local Government Staff Commission as a statutory recommendation for adoption by all councils and promulgated under the authority of the Local Government Staff Commission under Section 40(4) (f) of the Local Government Act (NI) 1972.

The Code of Conduct is signed by employees on appointment and is covered as part of the Induction process for new employees

During the 2021/22 year 258 employees received training in the revised Code. In 2022/23 face to face training for all front-line staff in operational areas was delivered.

When new employees commence employment with the Council the Code of Conduct is sent out with their Main Statement of Terms and Conditions. Employees are asked to confirm, in writing, that they have received and read a copy of the Code. Job Descriptions within Council also require employees as part of their duties and responsibilities to adhere to the Code of Conduct for Local Government Officers.

Officers are given a copy of the Code on taking up appointment and failure to adhere to it is a disciplinary offence. Officers are also issued with terms and conditions of employment on commencing employment with the Council and would be advised of various policies and procedures on induction. Existing members of staff have access to these documents on the Staff Portal. New policies and procedures are brought to the attention of staff and are also available via the Staff Portal.

The induction process for all new staff includes a copy of specific policies on staff conduct, including travelling and subsistence expenses, disciplinary and grievance policies and procedures, absence and sickness reporting, Data Protection, Freedom of Information, Equality and Good Relations and Health and Safety at Work.

Other supplementary codes of practice relating to the conduct expected of employees are available to staff via the Staff Portal.

Council adopted a Gifts and Hospitality Policy for Elected Members and Employees in March 2022 which has been circulated to all Members and Employees and annual reminders A register of gifts and hospitality is maintained by the Democratic Services Department and this is updated when relevant information is provided by a member of staff and elected members.

### **Conflicts of Interest Policy**

A Conflicts of Interest Policy was implanted in November 2022, with training commencing in March 2023, and continuing through to 2023/24.

**6. Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedure notes/manuals, which clearly define how decisions are taken and the processes and controls required managing risks.**

Causeway Coast and Glens Borough Council operates a system of standing orders for the regulation of the proceedings of the Council and Council business. Standing Orders were revised twice during 2022/2023 which resulted in two amendments being made. Council also adopted the revised scheme of allowances for members during the year.

The Standing Orders are included within the Council's Constitution. A Council is required, under section 2 of the Local Government Act (Northern Ireland) 2014, to prepare and keep up to date a Constitution. Causeway Coast and Glens Borough Council adopted a new Constitution on 22nd September 2015. This Constitution governs how the Council operates, how decisions are made, and the procedures which are to be followed to ensure efficiency, transparency and accountability to local people. Some of these processes are required by the law, while others are a matter for the Council to choose. This is updated as and when required, following the revision of Standing Orders and the Scheme of Allowances. The Scheme of Delegation was approved by Council in November 2020, and the Council Constitution was also updated in April 2023.

The Constitution is divided into sixteen Articles which set out the basic rules governing the Council's business. More detailed procedures and codes of practice are provided in separate Rules and Protocols within the document.

The Scheme of Delegation for Development Management, Development Plan, Enforcement and Other Planning Functions and the Protocol for the Operation of the Planning Committee took effect from 1st April 2015 on the transfer of Planning functions to local government.

The Scheme of Delegation and the Protocol were reviewed during 2021/22. The Scheme of Delegation for the Planning Department was reviewed by the Planning Committee and agreed by DfI and implemented in July 2021. The Protocol for the Operation of the Planning Committee was reviewed by the Planning Committee on 23 February 2022 and implemented on 02 March 2022. The Scheme of Delegation and Protocol will be reviewed again during 2023/24.

A financial policy manual was approved by Council in June 2020. Detailed policies and procedures in relation to Purchasing and Procurement including expenditure limits and authorisation signatures are in place, reviewed periodically and updated as required. A revised Procurement Policy was approved by Council in March 2021, the main outcome being the lowering of the expenditure limit requiring Council approval to £10,000.

Council has a Risk Management Strategy, which requires the identification of Corporate and Departmental Risks, the assessment of impact and likelihood of those risks and the mitigating controls in place. Council has Corporate and Departmental risk registers in place, and these are reviewed regularly. The Corporate Risk Register is reviewed by SMT and presented to the Audit Committee quarterly. The current Information Risk Management Policy was agreed by Audit Committee in September 2018.

An initial Treasury Management Strategy Statement was approved by Council in December 2014. The policy was developed in the context of the Local Government Finance Act (NI) 2011 and the local Government (Capital Finance and Accounting) Regulations (NI) 2011 and includes the key principles of CIPFA's Treasury Management in the Public Sector Code of Practice and taking guidance from Council's Treasury Management Advisers. A revised Treasury Management Strategy is approved by Council annually, the statement for 2022/2023 being presented at Finance Committee in March 2023. The Annual Treasury Management Strategy statement sets out the expected treasury management operations for the year. A review of the Treasury Management strategy is presented twice annually for 2022/23 this reported was tabled in October 2022 and April 2023.

## 7. Undertaking the core functions of an Audit Committee, as identified in CIPFA's Audit Committees - Practical Guidance for Local Authorities.

Causeway Coast and Glens Borough Council operate a committee system, with the Audit Committee meeting once per quarter.

Representation on the Audit Committee is based on the Quota Greatest Remainder allocation, with 16 elected members, representative of each political party grouping in Council, and 1 Independent Member. All meetings are attended by the Director of Corporate Services, Internal Auditor (In-house) relevant Council officers, along with the contracted Internal Auditor (Co-sourcing Partner currently Cavanagh Kelly). The Audit Committee Terms of Reference have been documented and approved by Council. These were reviewed and agreed in December 2021, to ensure compliance with CIPFA best practice. The Terms of Reference set out the scope of the Committee in relation to Audit Activity, Regulatory Framework and Accounts.

The Audit Committee met on five occasions between April 2022 and March 2023 (the December audit committee being adjourned due to a strike action), this included Internal Auditors and the NIAO representation (An open invitation is extended to the Northern Ireland Audit Office to attend all meetings). Following each meeting, minutes are circulated and approved by Council.

The internal audit function for Causeway Coast and Glens Borough Council is provided by both in-house Internal Auditor and by Cavanagh Kelly through an Internal Audit co-sourcing arrangement.

Various aspects of operating activities were sampled and examined to ensure the appropriate legislation, policies and procedures were adhered to and expenditure was lawful. Internal audit reports include award of assurance levels and recommendations for improvement. These audit reports are presented to the Audit Committee throughout the year. The Internal Audit Service operates to the Public Sector Internal Audit Standards 2013.

### 8. Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

The Legal Services Department in Causeway Coast and Glens currently consists of three full time solicitors, and a paralegal. Derry City and Strabane District Council Legal Services Department is retained to assist with prosecutions and advice. Further specialist external legal advice is engaged for Planning, Procurement, Human Resources, Call-ins, and as required. The land and property solicitor is currently engaged in working through the Councils legal title to its property and in registering the Councils unregistered land as well as reviewing all land and property matters and advising the Land and Property Sub-Committee. A dedicated Council solicitor attends all Planning Committee meetings and reviews all Planning reports.

Internal policies and procedures are regularly updated and renewed as required to reflect legislative changes. These are amended in line with recommendations from Internal and External Auditors and are circulated to the relevant staff when reviewed. Internal Policies and Procedures are available on the Staff Intranet.

In terms of lawful expenditure, workshops and special council meetings are held to discuss the proposals for the Estimates for the forthcoming year. This covers both Capital and Revenue Expenditure. Internal audit and Local Government Annual reports (including statutory audit) are also examined and discussed at these meetings, as well as the meetings of the Audit Committee. Council is issued with a summary report which forms the basis for discussion and decision making at the meetings. Annual Service specific Business Plans that include detailed proposed expenditure are agreed by respective Council Committees for full Council ratification. Oversight of these Business Plans is provided by the Finance and Legal Services.

A standard report template is used for all committee reports, which includes a section to report on full cost implications. All reports to Council Committees in 2023/24 will be reviewed by the internal Council legal team, with specialist external advice sought as required, for example, in relation to major capital projects. The Internal Audit plan covers a range of Council's main activities, financial and otherwise. Various aspects of operating activities have been sampled and examined to ensure that appropriate legislation, policies and procedures are adhered to, and expenditure is lawful. Internal audit reports including award of assurance levels and recommendations for improvement are reported to both Council and the Audit Committee. Council appointed Cavanagh Kelly as part of a co-sourcing internal audit arrangement.

In terms of service specific compliance, service departments are kept up to date in the following ways

- In house legal service review of Committee / Council reports
- Subscription to on line expertise e.g. HR - Legal-Island Email Service and Croners On-line Employment Law Information Service and Advice Line
- External Legal advice when required - Council subscribe to DAS – Employment advice as part of the annual Insurance programme
- Officer meetings – Service specific
- Attendance at various policy fora
- Training and development for staff

The Chief Executive is also the Council's Chief Financial Officer, as required by Section 1, of the Local Government Finance Act (Northern Ireland) 2011. The Chief Financial Officer is charged with ensuring the lawfulness and financial prudence of decision making, providing advice, and guidance and ensuring that expenditure is incurred lawfully.

The financial management arrangements conform with the governance requirements of CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010) as set out in the Application Note to Delivering Good Governance in Local Government Framework. The CFO is also supported by suitably qualified and experienced staff (including qualified accountants) within the finance function to ensure that decisions made by the Council are based on sound technical knowledge and understanding.

#### **9. Whistle-blowing and other processes for receiving and investigating complaints from the public.**

Council has a Raising Concerns Policy and an Anti-fraud Bribery and Corruption Policy. The Whistle-blowing policy was reviewed and updated in line with Raising Concerns good practice guide for the Northern Ireland public sector issued by the Northern Ireland Audit Office and was ratified at full Council on 5th January 2021. The Anti-Fraud Bribery and Corruption Policy was approved by Council in July 2015 and was reviewed by Audit Committee in December 2021, and approved by Council in January 2022.

All staff are informed of the policies and copies are included in the Staff Induction Pack and available on the Staff Intranet. Raising Concerns/Whistle-blowing is a standing item at the quarterly Audit Committee meetings.

Council also operates a formal scheme for public complaints and suggestions. These are referred to the relevant department and responded to within set deadlines, with the opportunity to have complaints referred to a higher level in the organisation where the complainant is not satisfied with the response. Where a complainant remains dissatisfied he/she is advised to contact the Northern Ireland Ombudsman.

There were eight notifications of concerns received and followed up by Internal Audit during the year all of which have been reported to the Audit Committee. Controls have been strengthened in all areas where concerns were raised.

#### **10. Identifying the development needs of Members and senior officers in relation to their strategic roles, supported by appropriate training.**

Council has a limited training and development budget for both Members and Staff. In terms of the Elected Members' budget, which is monitored through the Elected Member Development working group (Members) which reports to Corporate Policy and Resources Committee (CPR) and ultimately council. For staff, the budget is monitored and reviewed by the Organisation Development and Human Resources (ODHR) team.

All relevant conferences and courses are circulated to Councillors at Council meetings. An Elected Members' Conference Attendance Policy was agreed by Council on 23rd February 2016.

Council agreed an action plan for elected member development in February 2020 Council is working towards NI Charter for elected member development and will be assessed in November 2022. A training needs analysis was carried out for Elected Members in March 2021 and a programme of training will be developed for consideration by the Elected Member Development Steering Group. The programme of training will continue to be reviewed and further training arranged.

Causeway Coast and Glens Borough Council are progressing on a consistent and co-ordinated approach to learning and development.

**11. Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.**

Council consults with various bodies in relation to important strategic or policy development matters. Provisions are in place for communication in various formats and languages if requested.

Council has communicated with citizens and stakeholders by utilising the following methods:-

A Citizens Survey has been developed in conjunction with Association for Public Sector Excellence (APSE) Performance Networks and this will be used to consult with Citizens in relation to the performance of the Council and to identify improvements across Council services. The Citizen's Survey was opened on 24th November 2021 and then closed on 7th January 2022. Council have received 2,268 responses in total, with an excellent completion rate of 82%. For a population the size of Causeway Coast and Glens, this is a statistically significant number, which means that we can have a high degree of confidence (95%) that the views expressed will be in line with those of the population as a whole. As part of the survey response, 870 respondents took the opportunity to provide further comments on any aspects of the Council's performance.

Although impacted by Covid, the Community Planning team facilitated public consultation using drop-in sessions at local libraries throughout the Borough as part of its review of the Community Plan and Delivery Plan. Use was also made of a survey available to complete on the Council website and this survey was also circulated through appropriate databases.

Community Information events and Public Meetings, Statutory Partner Engagement, Citizen Surveys, Council Strategy, Website and Social Media, Council and Committee Meetings, Improved access to agenda, reports and minutes via website, Press Releases and Public Advertisements, Leaflets and Publications – including e-zine, and the annual publication of the Citizens' Newsletter have been utilized.

Council and committee meetings are open to the press and members of the public, and minutes are published on the Council's website along with Agenda and Audio Recordings of Public sessions of meetings.

Council also received and responded to 647 Requests for Access to Information during 2022/23.

**Review of Effectiveness**

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its system of internal control. The review of effectiveness is informed by the work of the Senior Managers within Council who have responsibility for the development and maintenance of the governance environment, the Internal Auditor's Annual Report, and by comments made by the external auditors.

The Audit Committee includes elected member representatives of the political membership of Council and an Independent Member. Under the terms of reference for the Audit Committee, they are charged with responsibility for ensuring good stewardship of the Council's resources, and committed to making the Council, its working groups and departments more responsive to the audit function.

The Internal Auditor provides an independent opinion on the adequacy and effectiveness of the internal control system. The Internal Auditor forwards draft reports to the relevant Director/Head of Service, for Management comments, and responses. The reports are co-ordinated by the Internal Auditor and then issued in their final format, presented to the Audit Committee initially and then to Council.

The Chief Executive has responsibility for preparing the Annual Governance Statement. In preparing this statement, he has considered the governance framework and system of internal controls in place. The Chief Executive leads the Council's SMT to collectively have involvement in and oversight of the processes involved in maintaining and reviewing the effectiveness of the governance framework. In producing this statement, full regard has been made to the register of interest for both Councillors and employees, reports of the internal and external auditor and the Corporate Risk Register.

The following process has been applied in maintaining and reviewing the effectiveness of the governance framework:

- **The Authority** – in line with the Local Government Act (NI) 2014 a traditional committee structure was in place within Causeway Coast and Glens Borough Council during 2022/23. A Finance Committee was added to the structure during 2019/20 to enhance the oversight and scrutiny of Council finances.
- **The Executive** – Service and Corporate Risk Registers, Operational Policies and Procedures, Regular Management Meetings and Communication, Internal and External Audit reports, Administrative procedures (including segregation of duties) and Management Supervision.
- **The Audit Committee** – The audit committee is a standing committee of Council, meeting quarterly, with 16 elected members and 1 independent member. All meetings attended by the Director of Corporate Services, relevant officers, Internal Audit and External Audit.
- **Internal Audit** - The review of the effectiveness of the Audit, Risk and Governance of the Council is also informed by the Annual Internal Audit Opinion for the year.

In line with Public Sector Internal Audit Standard (PSIAS) , Internal Audit are required to provide an opinion as to the adequacy and effectiveness of the governance, risk management and control environment. In giving this opinion, it should be noted that assurance can never be absolute.

Specifically, this opinion has been arrived at after considering the following:

- The outcome of audits completed in the 2022/23 audit plan.
- Progress made in relation to the outstanding audit recommendations from previous years. It is noted that whilst some progress has been made in addressing recommendations highlighted by Internal Audit and tracking of recommendations has improved with update reports presented to the audit committee on a quarterly basis, concerns remain around the time it takes to progress recommendations especially in some critical areas such as Business Continuity Planning, Essential Car User Policy and Medium-Term Financial Plan for Council.
- The content and findings contained in the final external reports in relation to the reviews of governance, land and property and record keeping undertaken as part of the Extraordinary Audit recommendations.
- The outcome of the audit undertaken by the Northern Ireland Policing Board (NIPB) in relation to the management of any potential and/or perceived Policing and Community Safety Partnership (PCSP) Conflicts of Interest.
- The outcome and recommendations of the external cyber security review undertaken.
- Ongoing governance concerns in the public domain arising from the recording of conversations in the Council.

For the reasons outlined above, Internal Audit can provide a limited level of assurance as to adequacy and effectiveness of the governance, risk management and control environment. Overall, there are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to the system objectives not being achieved.

Internal audit will continue to support management in reviewing the level of fraud risks associated with their key activities and ensuring that appropriate mitigations are put in place. However, it should be noted that it is management's responsibility to ensure that there are robust systems of internal control in place to help manage the risk of fraud.

Looking ahead, the matters highlighted above, together with ongoing financial pressures including the impact of cost of living increases continue to present risks that could affect the Council's ability to deliver in its objectives. In our view, it is important that senior management place importance on the development and maintenance of adequate and effective audit, risk and governance arrangements within Council. It is also important that audit recommendations to address control weaknesses and recommendations highlighted in the independent reviews are implemented in a timely fashion and Internal Audit receives adequate cooperation to ensure delivery of the annual audit plan throughout 2023/24.

- **Other explicit review/assurance mechanisms**

Health and Safety: Reviews of Health and Safety by professional qualified officers, the Corporate Health and Safety Committee, and various Health and Safety sub committees.

External funding: throughout the year is subject to independent audits from relevant funders i.e. Europe, Government Departments, SEUPB etc.

Local Government Auditor: work carried out by the Local Government Auditor during 2022/23 is also used by the Council as an additional assurance mechanism.

The Clerk and Chief Executive has been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the systems is in place.

**The Role of the Chief Financial Officer**

The Chief Financial Officer is also the Chief Executive and as such is the key member of the Management Team, helping it to develop and implement strategy and to resource and deliver the Council's strategic objectives sustainably and in the public interest.

The Chief Financial Officer is actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and aligned with the authority's financial strategy.

He leads the promotion and delivery of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

Specifically he leads and directs the finance function, and is supported, in so doing, by professionally qualified and suitably experienced staff embedded within the Finance Department. The Chief Finance Officer heads the Finance Service and sits on the SMT.

The Council is satisfied that appropriate financial management arrangements are in place in order to conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010) as set out in the Application Note to "Delivering Good Governance in Local Government: A Framework".

**Significant Governance Issues in 2021/22 - update**

Four governance issues were noted in the 2021/2022 annual governance statement. All four of the significant governance issues reported upon in 2021/22 have carried forward into the 2022/23 financial year. These include Finance (Finance and Financial Resilience), ICT (Digital and Cyber listed below) and Compliance/Regulation and the Recruitment and Retention of staff. Updates in relation to these governance issues are listed below.

**Significant Governance Issues in 2022/23**

The significant governance issues for 2022/23 have been identified through a review of the Corporate Risk Register, consideration of the Directors and Heads of Service annual assurance declarations and internal audits understanding of the wider control environment of Council. The four governance issues identified in 2021/22 have carried forward into 2022/23 with an additional significant governance issue added in relation to industrial relations with the Joint Trade Unions (JTU's). More detail has been provided below in relation to each significant governance issues challenging the Council :

**1 Compliance/Regulation****Procurement**

In previous years, the Local Government Auditor has raised issues in relation to procurement. The Local Government Auditor noted that procurement procedures had not been followed, including the completion of direct award contract documentation. Procurement continues to be identified in the NIAO Audit Strategy 2022/23 as a significant risk. Council will continue to monitor progress to ensure the implementation of prior year recommendations.

**Extraordinary Audit**

The Minister for Communities directed the Local Government Auditor to hold an Extraordinary Audit of Causeway Coast and Glens Borough Council concentrating on land disposals and easements and related asset management policies and procedures.

Northern Ireland's Local Government Auditor (LGA) published a report on the 7th July 2022 summarising the findings of an extraordinary audit of Causeway Coast and Glens Borough Council.

It details the findings and recommendations emanating from the audit of land disposals and easements since the Council was formed in April 2015. At a Special Council Meeting held on 26th July 2022 the Council resolved:

*'That this Council accepts the findings contained within the Extraordinary Audit. That this Council immediately moves to implement all eight recommendations contained within the Extraordinary Audit. That the Ministerial Letter of the 7th July 2022 be responded to confirming all the above and an action plan be completed by the 8th August 2022 that shows how the Auditor's recommendations will be fully implemented by 30 December 2022'.*

The following actions were taken to address the recommendations:

- In line with Departmental advice, Council approved the appointment of an independent advisor to assist and support Council in the delivery of the Action Plan.
- Independent consultants were appointed to undertake an independent Council wide review of governance arrangements, detailed review of all of its land related policies and procedures to ensure that all policies comply with the legislation and guidance and a review of its procedures to ensure adequate records are used to support decision making.
- Review of procedures to ensure adequate records are used to support decision making.
- Elected Members mandatory training in the areas of fraud and scrutiny & challenge.
- Council appointed the Local Government Staff Commission to lead on recommendations 6 & 7 contained within the extraordinary audit report.

Following the Special Council Meeting on the 20 February 2023 the Mayor wrote to the Department for Communities providing copies of all of the reports and seeking an extension to the timetable to complete the work until the 4 April 2023. The Department agreed to the extension.

At the Special Council meeting on the 27 March 2023 the Council resolved:

*'That Council accept the Findings in these reports in full. Furthermore, that an implementation oversight panel is established (similar to what was taken forward with the Planning Review) to oversee the resolution of the issues outlined in these reports; to produce and progress an Action Plan and the implementation of these associated recommendations; the membership of 6 Elected Members by d'Hondt and a representative from the Department for Communities who have ultimate oversight authority to make sure there is change throughout this organization and that it is overseen and engaged with'.*

Council agreed to send the reports to the Department for Communities (DfC) and to note that progress continues to be made in respect of Recommendations 6 and 7 of the extraordinary audit. The Department for Communities (DfC) have yet to provide a response to Councils proposal in respect of an oversight panel.

#### **High Court Injunction**

Council and four senior officials have obtained an interim injunction preventing the publication of details of secret recordings made at Council offices. The order was made at the High Court in proceedings brought against persons unknown.

### **2 Industrial Relations**

The Joint Trade Unions (JTU's) have issued a vote of no confidence in the Senior Management Team currently. Work is ongoing within Council to restore relationships with the Joint Trade Unions (JTU's). In the interim period and to progress with operational issues, Heads of Service have been designated to continue to engage with the Trade Unions to ensure that operational issues are progressed.

There is a risk that in the current industrial relations climate a lack of engagement between senior management and from trade unions may result in delays progressing with the population of structures work.

### **3 Finance and Financial Resilience**

A recovery plan has been prepared by the Leisure and Development directorate and was taken to an L & D workshop in July and subsequently to full Council in August 2020. Council will continue to address new regulatory requirements related to the pandemic and provide assistance in government assisted programs.

The Draft Medium Term Financial Plan is currently progressing, and it is envisaged this will be finalised in Autumn 2023.

In addition to the general fund, Council have established a number of reserves, including a Covid Recovery Reserve, a financial recovery Reserve, Reorganisation Reserve and a Repair and Renewal Fund.

A new finance system has gone into operation on 1 April 2023 which will streamline operational processes and generate real time reports.

### **4 Digital and Cyber Security**

Cyber security is recognised as a risk for Council, both in terms of protecting citizens' data and maintaining the availability of council services. Skilled ICT staff work to ensure industry best practices are followed. This includes physical security of the buildings and server rooms. Technical controls with malware detection and response, next-gen firewalls, web and email scanning and vulnerability remediation. Access to data and services is always based on least required privilege. Policies and procedures are regularly reviewed to ensure appropriate administrative controls and advice for users is in place.

**5 Recruitment and Retention of Staff**

In the current economic climate there are challenges in terms of recruitment and retention of staff, coupled with the ongoing negotiations regarding terms and conditions, may lead to a number of positions unfilled which could have an impact on service delivery. To address these issues, Council have commenced the population of structures but still have work to do. Council are progressing with internal and external advertisements in line with vacancy control. Council have challenges in filling more specialised posts, i.e. planning, building control, environmental health, audit where it is difficult to attract applicants.

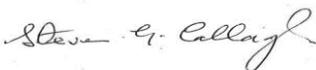
Council are continuing to provide staff development opportunities with the aim of retaining and developing existing staff, which assists with Business continuity and retention of corporate memory. There is a risk that Council will be unable to fill positions, and this could have an impact on service delivery, performance and the wellbeing of our staff.

We propose over the coming year to take steps to continue to address recommendations and matters raised further enhance our compliance with governance and health and safety regulations. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

**Signed**

Clerk and Chief Executive  
Causeway Coast and Glens Borough Council

Date : 25th September 2023

**Signed**

Mayor of the Council  
Causeway Coast and Glens Borough Council

Date : 25th September 2023

On behalf of the Audit Committee and by the Chief Executive

**Certificate of the Chief Financial Officer**

I certify that:

- (a) the Statement of Accounts for the year ended 31 March 2023 on pages 30 to 83 has been prepared in the form directed by the Department for Communities and under the accounting policies set out on pages 34 to 47.
- (b) in my opinion the Statement of Accounts gives a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year ending 31st March 2023.



**David Jackson**  
**Chief Financial Officer**



Date : 25th September 2023

**Council Approval of Statement of Accounts**

These accounts were approved by resolution of the Council on



**Stephen Callaghan**  
**Mayor of the Council**



Date : 25th September 2023

**Remuneration Report For The Year Ended 31st March 2023****Introduction**

The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 require larger local government bodies to prepare a remuneration report as part of the statement of accounts.

**Allowance And Remuneration Arrangements****Councillors**

Allowances are payable by councils to councillors and committee members under Part 3 of the Local Government Finance Act (Northern Ireland) 2011 and The Local Government (Payments to Councillors) Regulations (Northern Ireland) 2019, which came into operation on 1 October 2019.

Guidance and determinations on Councillors' Allowances applicable from 1 April 2022 were issued by the Department for Communities on 25 January 2023 (Circular LG 03/2023). Details of the allowances paid to individual councillors are published on the Council's website.

Following local elections on 2nd May 2019, 462 councillors were elected to the 11 new councils for a four year term. CCAG had 40 councillors in 2022/23.

**Senior Employees**

The remuneration of senior employees employed by the Council is determined by the Council in line with that determined by the Joint Negotiating Committee for Chief Officer of Local Authorities. Senior employees are those staff who are members of the Senior Management Team.

Council appointments of employees are made in accordance with the Local Government Staff Commissions' Code of Procedures on Recruitment and Selection, which requires appointment to be on merit and on the basis of fair and open competition.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended.

**Independent Member - Audit Committee**

A suitably qualified person sits as an Independent Member of the Audit Committee. The role is to help promote the highest standards in the financial management of the Council and thereby ensure the accountability of public funds. Payments of £250 per meeting and travel costs of £22.50 per meeting were made during the year – totalling £1,090.00.

**Allowances Paid To Councillors**

The total amount paid to Councillors by way of allowances in 2022/23, under Part 3 of the Local Government Finance Act (Northern Ireland) 2011 and the Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012 was:

**Table 1: Total Allowances paid to councillors in 2022/23 (audited information)**

Allowance Type	2022/23		2021/22	
	Total	Councillors	Total	Councillors
	Allowances	Receiving	Allowances	Receiving
	£	Numbers	£	Numbers
Basic Allowance	637,529	43	619,440	40
Special Responsibility Allowances	32,127	22	35,253	18
Mayor's Allowance	12,000	2	12,000	1
Deputy Mayor's Allowance	5,000	2	5,301	1
Mileage	14,551	10	11,985	14
Courses/ Conferences Visits (registration & joining fees)	0	0	5,588	0
Miscellaneous Costs	0	0	5,937	0
<b>Total Allowances</b>	<b>701,207</b>		<b>695,504</b>	

Details of the allowances paid to, and expenses paid on behalf of individual councillors in 2022/23 are published on the council website at:

<https://www.causewaycoastandglens.gov.uk/council/publications-policies/councillor-allowances-2022-2023>

**Remuneration Of Senior Employees**

The remuneration of senior employees covers the Senior Management Team. The following table provides details of the remuneration paid to senior employees in 2022/23:

**Table 2: Remuneration of Senior Employees (including salary) ][audited information]**

Officers	2022/23				2021/22			
	Salary	Bonus Payments	Benefits in Kind	Total	Salary	Bonus Payments	Benefits in Kind	Total
	£'000's	£'000's	nearest £100	£'000's	£'000's	£'000's	nearest £100	£'000's
Chief Executive <i>Mr D Jackson</i>	120 to 125	0	0	120 to 125	120 to 125	0	0	120 to 125
Director of Corporate Services <i>Mrs M Quinn</i>	95 to 100	0	0	95 to 100	90 to 95	0	0	90 to 95
Director of Leisure and Development <i>Mr R Baker</i>	90 to 95	0	0	90 to 95	90 to 95	0	0	90 to 95
Director of Environmental Services <i>Mr A McPeake</i>	90 to 95	0	0	90 to 95	90 to 95	0	0	90 to 95

Councils are required to disclose the relationship between the remuneration of the highest paid member of the Senior Management Team and the median remuneration of the Councils workforce.

The banded remuneration of the highest paid member of the Senior Management Team in the financial year 2022/23 was £120,000 to £125,000. This was 4.26 times the median remuneration of the workforce, which was £28,574.

**Table 3: Relationship between the remuneration of the highest paid member of the Senior Management Team and the median remuneration of the Councils workforce (audited information)**

	2022/23	2021/22
Salary Band of Highest Paid member of the Senior Management Team	£120,000 to £125,000	£120,000 to £125,000
Median Total Remuneration	£28,574	£25,418
Ratio	4.26	4.79

In 2022/23, and 2021/22, no employee received remuneration in excess of the highest paid member of the Senior Management Team.

Total remuneration includes salary, bonus payments and benefits in kind.

**Salary**

"Salary" includes gross salary, overtime, and any ex gratia payments.

**Bonus Payments**

Bonus payments are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. There were no bonuses paid in 2022/23.

**Benefits in Kind**

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. There were no benefits in kind paid in 2022/23.

**Exit Packages for staff**

The number of exit packages provided to all staff by the Council during 2022/23 together with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

**Table 4: Exit Packages in (audited information)**

Severance Package Cost Band	2022/23				2021/22			
	Compulsory	Other	Total Exit	Total Cost	Compulsory	Other	Total Exit	Total Cost of
	Redundancies	departures	Packages	of	Redundancies	departures	Packages	Packages
	No	No	No	£'000's	No	No	No	£'000's
£0 to £20,000	0	1	1	1	0	9	9	48
£20,001 to £40,000	0	1	1	21	0	0	0	0
£40,001 to £60,000	0	0	0	0	0	0	0	0
£60,001 to £80,000	0	0	0	0	0	0	0	0
£80,001 to £100,000	0	0	0	0	0	0	0	0
£100,001 to £150,000	0	0	0	0	0	0	0	0
£150,001 to £200,000	0	0	0	0	0	1	1	194
£200,001 to £250,000	0	0	0	0	0	0	0	0
£250,001 and over	0	0	0	0	0	0	0	0
<b>Totals</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>22</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>242</b>

**Pension Benefits**

The Local Government Pension Scheme (Northern Ireland) (the Scheme) which is a funded defined benefit pension scheme, which provides retirement benefits for council employees on a "career average revalued earnings" basis from 1 April 2015. Prior to that date benefits were built up on a "final salary" basis.

From 1 April 2015, a member builds up retirement pension at the rate of 1/49th pensionable pay for each year. Pension benefits in relation to membership between 1 April 2009 and 31 March 2015 were built up at the rate of 1/60th pensionable pay for each year of membership. There is no automatic lump sum provided in respect of membership after 31 March 2009. Pension benefits in relation to any membership before 1 April 2009 were built up at the rate of 1/80th (pension) and 3/80ths (tax-free lump sum) of pensionable pay for each year of membership up to 31 March 2009. At retirement, members may give up some pension for additional lump sum, subject to HM Revenue and Customs (HMRC) limits. The conversion rate is £12 additional lump sum for every £1 of pension given up.

Councillors have been able to join the Scheme since May 2011. The Scheme application is modified to reflect the fact that Councillors hold an elected office. Councillor members have always accrued pension on a career average basis. Prior to 1 April 2015 pension was accrued at a rate of 1/60th and thereafter at a rate of 1/49th.

The Scheme is funded by contributions made by employees, Councillors and Council. Prior to 1 April 2009, a member's contribution rates were fixed at 6% of their pensionable remuneration (except for those who were entitled to contribute to the Scheme at 5% before 1 February 2003 and have remained in continuous employment). Tiered member contribution rates, determined by the whole-time equivalent rate of pay, were introduced from 1 April 2009. From 1 April 2015, the member contribution rates are determined on the actual rate of pay.

The ranges for the bands for tiered contribution rates are revised by the Department for Communities in April each year in accordance with the increase applied to a pension in payment. The bands, effective from 1 April 2022, were as follows:

**Table 5: Employee Contribution Rates**

Band	Salary Range	Employee Contribution Rate
	£	%
1	£0,00 - £15,400	5.50%
2	£15,401 - £23,700	5.80%
3	£23,701 - £39,500	6.50%
4	£39,501 - £48,000	6.80%
5	£48,001 - £95,100	8.50%
6	More than £95,100	10.50%

Employers' contribution rates are determined by the Fund's actuary every three years at the triennial valuation. A formal triennial actuarial valuation of the Fund as at 31 March 2019 was carried out in 2020/21 and set the employer contribution rates for the 3 years commencing 1 April 2020 as follows:

**Table 6: Employer Contribution Rates**

Year	Employer Contribution Rate
	%
1 April 2020 - 31 March 2021	19.50%
1 April 2021 - 31 March 2022	19.50%
1 April 2022 - 31 March 2023	19.50%

The Local Government Pension Scheme Regulations (Northern Ireland) 2014 were made on 27 June 2014 and The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014 were made on 30 June 2014. Both sets of regulations were effective from 1 April 2015.

Councillors have only been able to join the Scheme since May 2011 and therefore have not accrued significant benefits thus far. However, the in-year pension contributions made by the Council for all councillors during 2022/23 was £117,217 (2021/22- £117,182).

The value of pension benefits of the most senior management of the Council accrued during the year was as follows:

**Table 7: Pension Benefits of senior staff in (audited information)**

Officers	Accrued Pension at Pension age as at 31/03/2023 and related lump sum £'000's	Real increase in pension and related lump sum at pension age £'000's	CETV	CETV	Real
			31/03/2023 £'000's	31/03/2022 £'000's	Increase in CETV £'000's
Chief Executive <i>Mr D Jackson</i>	30 to 35 plus Lump Sum 0	0 to 2.5 Plus Lump Sum 0	429	378	-
Director of Corporate Services <i>Mrs M Quinn</i>	35 to 40 plus Lump Sum 35 to 40	(2.5 to 5) Plus Lump Sum 2.5 to 5.0	540	492	(12)
Director of Leisure & Development <i>Mr R Baker</i>	40 to 50 Plus Lump Sum 0	(0 to 2.5) Plus Lump Sum 0	572	524	(13)
Director of Environmental Services <i>Mr A McPeake</i>	35 to 40 Plus Lump Sum 45 to 50	(0 to 2.5) Plus Lump Sum (0 to 2.5)	497	454	(11)

#### The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

#### The real increase in the value of the CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.



**David Jackson**  
Chief Financial Officer

Date : 25th September 2023

**Independent Auditor's Report to the Members of the Causeway Coast and Borough Glens Borough Council****Opinion on Financial Statements**

I have audited the financial statements of Causeway Coast and Glens Borough Council for the year ended 31 March 2023 under the Local Government (Northern Ireland) Order 2005. The financial statements comprise the Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet, Cash Flow Statement and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting on the United Kingdom supported by UK adopted international accounting standards.

I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view, in accordance with relevant legal and statutory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23, of the financial position of the Causeway Coast and Glens Borough Council as at 31 March 2023 and its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 and the Department for Communities' directions issued thereunder.

**Basis of opinion**

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of Causeway Coast and Glens Borough Council in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence 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 Causeway Coast and Glens Borough Council's 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 Causeway Coast and Glens Borough Councils ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for Causeway Coast and Glens Borough Council is adopted in consideration of the requirements set out in the Code of Practice on Local Authority Accounting, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Chief 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 Statement of Accounts other than the financial statements, the parts of the Remuneration Report described in that report as having been audited, and my audit certificate and report. The Chief Financial Officer is responsible for the other information included in the Statement of Accounts. 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 my knowledge obtained in 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 the audit:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Department for Communities' directions made under the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015; and
- the information given in the Statement of Accounts for the financial year ended 31 March 2023 is consistent with the financial statements.

**Matters on which I report by exception**

In the light of the knowledge and understanding of Causeway Coast and Glens Borough Council and its environment obtained in the course of the audit, I have not identified material misstatements in the Statement of Accounts.

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

- in my opinion
- the Annual Governance Statement
  - does not reflect compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23;
  - does not comply with proper practices specified by the Department for Communities;
  - is misleading or inconsistent with other information I am aware of from my audit; or
- adequate accounting records have not been kept; or
- the Statement of Accounts and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit, or
- I issue a report in the public interest under Article 9 of the Local Government (Northern Ireland) Order 2005; or
- I designate under Article 12 of the Local Government (Northern Ireland) Order 2005 any recommendation made to the Council; or
- I exercise the other special powers of the auditor under Article 19 to 21 of the Local Government (Northern Ireland) Order 2005.

**Responsibilities of the Chief Financial Officer for the financial statements**

As explained more fully in the Statement of the Council's and Chief Financial Officer's Responsibilities for the Statement of Accounts, the Chief Financial Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing Causeway Coast and Glens Borough Council'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 Chief Financial Officer anticipates that the services provided by Causeway Coast and Glens Borough Council 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 Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice.

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 a certificate 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.

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

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to Causeway Coast and Glens Borough Council through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Local Government (Northern Ireland) Order 2005;
- making enquires of management and those charged with governance on Causeway Coast and Glens Borough Council's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Causeway Coast and Glens Borough Council's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;

- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading Council and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate, and
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
  - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
  - investigating significant or unusual transactions made outside of the normal course of business.
- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website.

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

This description forms part of my certificate.

This report is made solely to the Members of the Causeway Coast and Glens Borough Council in accordance with the Local Government (Northern Ireland) Order 2005 and for no other purpose, as specified in the Statement of Responsibilities of the Local Government Auditor and Local Government Bodies.

#### **Certificate**

I certify that I have completed the audit of the accounts of Causeway Coast and Glens Borough Council in accordance with the requirements of the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice.



Colette Kane  
Local Government Auditor  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

## Core Financial Statements

## The Movement in Reserves Statement (MIRS)

		General Fund Summary £'000's	Other Fund Balances & Reserves £'000's	Capital Receipts Reserve £'000's	Total Usable Reserves £'000's	Total Unusable Reserves £'000's	Total Council Reserves £'000's
<b>At 31 March 2021</b>		<b>4,531</b>	<b>12,094</b>	<b>0</b>	<b>16,625</b>	<b>73,863</b>	<b>90,488</b>
<b>Movement in reserves during the year</b>							
(Deficit) on the provision of services	CIES	(221)	0	0	(221)	0	(221)
Other Comprehensive Income and Expenditure	CIES	0	0	0	0	33,313	33,313
Total Comprehensive Income and Expenditure		(221)	0	0	(221)	33,313	33,092
Adjustments between accounting basis & funding under regulations	3c / 26	5,775	0	249	6,024	(6,024)	0
Net increase / (decrease) before transfers to Statutory and Other Reserves		5,554	0	249	5,803	27,289	33,092
Transfers (to) / from Statutory and Other Reserves	3a / 26	(5,580)	5,391	(249)	(438)	438	0
Increase / (decrease) in year	2a / 3	(26)	5,391	0	5,365	27,727	33,092
<b>At 31 March 2022</b>	<b>BS</b>	<b>4,505</b>	<b>17,485</b>	<b>0</b>	<b>21,990</b>	<b>101,590</b>	<b>123,580</b>
(Deficit) on the provision of services	CIES	(3,708)	0	0	(3,708)	0	(3,708)
Other Comprehensive Income and Expenditure	CIES	0	0	0	0	60,818	60,818
Total Comprehensive Income and Expenditure		(3,708)	0	0	(3,708)	60,818	57,110
Adjustments between accounting basis & funding under regulations	3b / 26	5,135	0	105	5,240	(5,240)	0
Net increase / (decrease) before transfers to Statutory and Other Reserves		1,427	0	105	1,532	55,578	57,110
Transfers (to) / from Statutory and Other Reserves	3a / 26	(1,341)	1,338	(105)	(108)	108	0
Increase / (decrease) in year	2a / 3	86	1,338	0	1,424	55,686	57,110
<b>At 31 March 2023</b>	<b>BS</b>	<b>4,591</b>	<b>18,823</b>	<b>0</b>	<b>23,414</b>	<b>157,276</b>	<b>180,690</b>

## Core Financial Statements

## The Comprehensive Income and Expenditure Statement (CIES)

	Notes	2022/23		2021/22			
		Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
		£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<b>Service Expenditure</b>							
Leisure and Development	4a/4b	26,795	9,700	17,095	25,394	10,625	14,769
Environmental Services	4a/4b	37,036	9,751	27,285	38,276	9,244	29,032
Corporate Policy and Resources	4a/4b	11,220	460	10,760	10,351	355	9,996
Planning	4a/4b	3,050	1,395	1,655	2,551	1,391	1,160
<b>Cost of Services on Continuing Operations</b>	<b>4a/4b &amp; App 1</b>	<b>78,101</b>	<b>21,306</b>	<b>56,795</b>	<b>76,572</b>	<b>21,615</b>	<b>54,957</b>
Other Operating Expenditure	8	0	103	(103)	0	211	(211)
Financing and Investment Income and Expenditure	9	3,581	853	2,728	3,889	1,571	2,318
<b>Net Operating Expenditure</b>		<b>81,682</b>	<b>22,262</b>	<b>59,420</b>	<b>80,461</b>	<b>23,397</b>	<b>57,064</b>
Taxation and Non-Specific Grant Income	10	0	55,712	(55,712)	0	56,843	(56,843)
<b>Deficit on the Provision of Services</b>		<b>81,682</b>	<b>77,974</b>	<b>(3,708)</b>	<b>80,461</b>	<b>80,240</b>	<b>(221)</b>
Surplus/(Deficit) on revaluation of non-current assets	11c			12,968			9,265
Remeasurements of the Net Defined Benefit Liability	21b			47,850			24,048
<b>Other Comprehensive Income and Expenditure</b>				<b>60,818</b>			<b>33,313</b>
<b>Total Comprehensive Income and Expenditure</b>				<b>57,110</b>			<b>33,092</b>

## Core Financial Statements

## The Balance Sheet (BS)

	Note	2022/23 £'000's	2021/22 £'000's
Property, Plant and Equipment	11a / 11b	227,474	215,027
Investment Property	11a / 11b	9,740	9,685
Intangibles	11a / 11b	793	127
Pension Asset	21c	2,872	
Long Term Debtors	12a	764	867
<b>LONG TERM ASSETS</b>		<b>241,643</b>	<b>225,706</b>
Inventories	14	166	174
Short Term Debtors	12b	5,328	7,210
Cash and Cash Equivalents	25c	19,183	18,440
<b>CURRENT ASSETS</b>		<b>24,677</b>	<b>25,824</b>
Short Term Borrowing	15a	6,504	4,869
Short Term Creditors	18a	13,859	10,371
Short Term Provisions	19a/b	0	0
<b>CURRENT LIABILITIES</b>		<b>20,363</b>	<b>15,240</b>
Long Term Provisions	19a/b	10,442	13,345
Long Term Borrowing	15b	49,972	56,476
Other Long Term Liabilities	21c	0	39,278
Donated Assets Account	22	81	81
Capital Grants Receipts in Advance	23	4,772	3,530
<b>LONG TERM LIABILITIES</b>		<b>65,267</b>	<b>112,710</b>
<b>NET ASSETS</b>		<b>180,690</b>	<b>123,580</b>
Capital Receipts Reserve	26	0	0
General Fund	2a	4,591	4,505
Earmarked Reserves	3a	18,823	17,485
<b>USABLE RESERVES</b>		<b>23,414</b>	<b>21,990</b>
Capital Adjustment Account	3b / 3c	52,713	51,156
Revaluation Reserve	3b / 3c	95,620	84,617
Investment Property Revaluation Reserve	3b / 3c	8,576	8,521
Pension Reserve	3b / 3c	2,872	(39,278)
Accumulated Absences Account	3b / 3c	(1,057)	(1,024)
Provisions Discount Rate Reserve	3b / 3c	0	0
Landfill Regulations Reserve	3b / 3c	(1,448)	(2,402)
<b>UNUSABLE RESERVES</b>		<b>157,276</b>	<b>101,590</b>
<b>NET WORTH</b>		<b>180,690</b>	<b>123,580</b>

**Core Financial Statements****The Cashflow Statement (CF)**

	Note	2022/23	2021/22
		£'000's	£'000's
Net Deficit on the Provision of Services	CIES	(3,708)	(221)
Adjustment for non-cash movements	25a	16,329	14,039
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	25b	(869)	(1,383)
<b>Net cash flows from operating activities</b>		<b>11,752</b>	<b>12,435</b>
Cash flows from Investing Activities	25e	(6,140)	155
Net Cash flows from Financing Activities	25f	(4,869)	(5,331)
<b>Net increase or decrease in cash and cash equivalents</b>		<b>743</b>	<b>7,259</b>
Cash and cash equivalents at the beginning of the reporting period	25c	18,440	11,181
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>25c</b>	<b>19,183</b>	<b>18,440</b>

**1 a Accounting Policies**

The preceding accounts have been prepared in accordance with the accounting policies set out below.

**General Principles**

The Statement of Accounts summarises the Council's transactions for the 2022/23 financial year and its position at the year-end of 31 March 2023. The Council is required to prepare an annual Statement of Accounts in a form directed by the Department for Communities in accordance with regulations 3 (7) and 8 in the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 in accordance with proper accounting practices.

These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 supported by International Financial Reporting Standards (IFRS). The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. The Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 also requires disclosure in respect of the accounting policies set out below:

**Summary of Significant Accounting Policies****i) Accruals of Income and Expenditure**

Revenue from the sale of goods is recognised when the Council transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.

Revenue from the provision of services is recognised when the Council can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Council.

Penalty Charge Notice (PCN) income is recognised upon receipt of payment.

Royalties due from gas extraction are paid a year in arrears from metered outflows. Current year royalties are estimated on the basis of prior year receipts. Council does not offset estimated royalties from gas extraction against future discounted outflows in determining landfill provisions on the basis of prudence.

Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.

Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

Interest payable on borrowings and receivable on investments is accounted for 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 it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

**ii) Cash and Cash Equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

**iii) Contingent Assets**

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

iv) **Contingent Liabilities**

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

v) **Employee Benefits**

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, and are recognised as an expense in the year in which employees render service to the Council. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end and which employees can carry forward into the next financial year.

**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 Non Distributed Costs line in the Comprehensive Income and Expenditure Statement at the earlier of:

- a) when the offer cannot be withdrawn or
- b) when the related restructuring costs are incurred.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination 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.

**Post Employment Benefits**

Employees of the Council are members of the Northern Ireland Local Government Officers' Pension Fund administered by the Northern Ireland Local Government Officers' Superannuation Committee. The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

**The Northern Ireland Local Government Officers' Pension Fund**

The Northern Ireland Local Government Officers' Pension Fund is accounted for as a defined benefits scheme.

The liabilities of the Northern Ireland Local Government Officers' Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. 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, etc., and projections of projected earnings for current employees.

Liabilities are discounted to their value at current prices, using a discount rate based on the Aon Hewitt GBP Select AA Curve using the duration of the Council's liabilities. The curve is derived as follows:

- The corporate curve is composed of an underlying swap curve plus a credit spread curve. The credit spread curve is fitted from all prices on iBoxx bonds.
- Aon Hewitt receive data from iBoxx and use all corporate bonds from the UK market, which have an average rating of AA from the three ratings agencies (Moody's, S&P and Fitch). The corporate yield curve is made by adding a credit spread curve to the standard Aon Hewitt swap curve.

The assets of the Northern Ireland Local Government Officers' pension fund attributable to the Council are included in the Balance Sheet at their fair value:

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

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

***Within the Cost of Services***

**Current Service Cost** – the increase in the present value of the defined benefit obligation (liabilities) resulting from employee service in the current period.

**Past Service Cost** – (where applicable) the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction in the number of employees covered by the plan).

**Any Gains or Losses on Settlement** – (where applicable) arising where a council enters into a transaction that eliminates all further legal or constructive obligations for part or all of the benefits provided under a defined benefit plan.

***Within Financing and Investment Income and Expenditure***

**Net Interest on the Net Defined Benefit Liability (Asset)** – the change in the net defined benefit liability (asset) that arises from the passage of time,

***Within Other Comprehensive Income and Expenditure (Remeasurements)***

**The Return on Plan Assets** - excluding amounts recognised in the Net Interest on the Net Defined Benefit Liability (Asset). This includes interest, dividends and other income derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of managing plan assets, and any tax payable by the plan itself other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation.

**Actuarial Gains and Losses** – changes in the present value of the defined benefit obligation resulting from: a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and b) the effects of changes in actuarial assumptions.

***Within the Movement in Reserves Statement Appropriations***

**Contributions by Scheme Participants** – the increase in scheme liabilities and assets due to payments into the scheme by employees (where increased contribution increases pension due to the employee in the future).

**Contributions by the Employer** - the increase in scheme assets due to payments into the scheme by the employer.

In relation to retirement benefits, statutory provisions require the General 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, appropriations are made 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 General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

**Discretionary Benefits**

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies that are applied to the Northern Ireland Local Government Officers' pension fund.

vi) **The Principal Civil Service Pension Schemes**

As a result of Local Government Reform on 1 April 2015, staff that transferred from Central Government to the Council retained membership of the Northern Ireland Civil Service (NICS) Pension Scheme. The schemes provides defined benefits to members (retirement lump sums and pensions). However, the arrangements for the NICS Pension Scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Council. The scheme 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.

vii) **Events After the Balance Sheet Date**

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- a) those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events
- b) those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes of the nature of the events and their estimated financial effect.

The financial statements may subsequently be adjusted up to the date when they are authorised for issue. This date will be recorded on the financial statements and is usually the date the Local Government Auditor issues their certificate and opinion. Where material adjustments are made in this period they will be disclosed.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

viii) **Exceptional Items**

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Council's financial performance.

ix) **Financial Instruments**

Most financial instruments held by Councils would fall to be classified into just one class of financial liability and two classes of financial assets:

**Financial Liabilities**

Amortised Cost

**Financial Assets**

Loans and Receivables

Available for Sale

**Financial Liabilities**

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in 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. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

#### **Financial Assets**

Financial assets are classified into two types:

- a) loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market
- b) available-for-sale assets – that have a quoted market price and/or do not have fixed or determinable payments.

#### **Loans and Receivables**

Loans and receivables are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are then measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in 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. For most of the loans that the Council has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

Statutory provisions require that the impact of soft loans on the General Fund Balance is the interest receivable for the financial year – the reconciliation of amounts debited and credited to the Comprehensive Income and Expenditure Statement to the net gain required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

Any gains and losses that arise on the de-recognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

#### x) **Foreign Currency Translation**

Where the Council has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where amounts in foreign currency are outstanding at the year-end, they are reconverted at the spot exchange rate at 31 March. Resulting gains or losses are recognised in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

**xi) Government Grants and Contributions**

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- a) the Council will comply with the conditions attached to the payments, and
- b) the grants or contributions will be received.

Amounts recognised as due are not credited to the Comprehensive Income and Expenditure Statement until conditions attaching to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

**xii) Intangible Assets**

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Council will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and restricted to that incurred during the development phase (research expenditure is not capitalised).

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Council's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Council can be determined by reference to an active market. In practice, no intangible asset held by the Council meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in Cost of Services on Continuing Operations in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in Cost of Services on Continuing Operations in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10k) the Capital Receipts Reserve.

**xiii) Inventories & Long Term Contracts**

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is assigned using the *FIFO* costing formula.

Long Term contracts are accounted for on the basis of charging the surplus or deficit on the provision of services with the value of works and services received under the contract during the financial year.

**xiv) Investment Property**

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's length. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line in the Comprehensive Income and Expenditure Statement and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Investment Property Revaluation Reserve and the Capital Receipts Reserve.

**xv) Landfill Allowance Schemes**

The Landfill Allowances Scheme operates under the Landfill Allowances Scheme (Northern Ireland) Regulations 2005. Local Authorities are allocated annual target figures for the maximum amount of biodegradable municipal waste that can be sent to landfill but there are no tradable allowances. It is not a 'cap and trade' scheme since landfill allowances are not tradable. For this reason, landfill allowances are not recognised as assets on the Balance Sheet.

**xvi) 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 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.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

**The Council as Lessee*****Finance Lease:***

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Council are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a) a charge for the acquisition of the interest in the property – applied to write down the lease liability, and
- b) a finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement)

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life.

The Council is not required to raise district rates to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual provision is made from revenue towards the deemed capital investment in accordance with statutory requirements. Depreciation and impairment losses are therefore replaced by a revenue provision in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

***Operating Leases:***

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g., there is a rent-free period at the commencement of the lease).

**The Council as Lessor**

***Finance Leases***

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the Council's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease asset (long term debtor) in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a) a charge for the acquisition of the interest in the property – applied to write down the lease asset (long term debtor) together with any premiums received, and
- b) finance income (credited to the Financing and Investment income and Expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund Balance and will be required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are paid, the element for the charge for the acquisition of the interest in the property is used to write down the lease asset (debtor). At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

***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 Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g., there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

**xvii) Disposals and Non-Current 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. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss 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 previously recognised losses. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Held for Sale, they are reclassified back to non-current assets and valued at the lower of its carrying amount before they were classified as Held for Sale: adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

Assets that are to be decommissioned i.e. abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of, or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal are categorised as capital receipts and credited to the Capital Receipts Reserve. Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against district rates, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

**xviii) Overheads and Support Services**

The costs of overheads are charged to those that benefit from the service in accordance with the costing principles of the Local Authority Code of Practice.

**xix) Property, Plant and Equipment**

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

**Recognition**

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e., repairs and maintenance) is charged as an expense when it is incurred.

**Measurement**

Assets are initially measured at cost, comprising:

- a) the purchase price
- b) any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located

The Council does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition will not increase the cash flows of the Council. In the latter case, where the asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

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

- a) infrastructure, vehicles, plant & equipment and intangibles – depreciated historical cost.
- b) all other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV)

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost is used as an estimate of fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2008 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

**Impairment**

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- a) 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), with any excess charged to the service line in the Comprehensive Income and Expenditure Statement.
- b) where 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.

The same accounting treatment is applied to revaluation losses as a result of a general fall in asset prices across the board as opposed to a consumption of economic benefit specific to an asset as is in the case of impairment losses.

**Depreciation**

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

Depreciation is calculated on the following bases:

- a) vehicles, plant and equipment – a percentage of the value of each class of assets in the Balance Sheet, as advised by a suitably qualified officer
- b) infrastructure – straight-line allocation over estimated useful lives.

**Componentisation**

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

**Revaluations**

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

**xx) Heritage Assets**

Heritage Assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

Heritage Assets are those assets that are intended to be preserved in trust for future generations because of their cultural, environmental or historic associations - they would be held by this authority in pursuit of our overall objectives in relation to the maintenance of heritage.

**xxi) Provisions**

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation, and measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

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

**xxii) Reserves**

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against District Rates for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments and retirement benefits and do not represent usable resources for the Council – these reserves are explained in the relevant note to the accounts.

**xxiii) Charges to Revenue for Non-Current Assets**

Charges to revenue for non-current assets e.g. services, support services and trading accounts are debited with the following amounts to record the cost of holding fixed assets during the year:

- a) depreciation attributable to the assets used by the relevant service
- b) revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- c) amortisation of intangible fixed assets attributable to the service.

The Council is not required to raise District Rates to cover depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Council in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by minimum revenue provision (MRP) in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

**xxiv) 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 in the Comprehensive Income and Expenditure Statement in the year. 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 General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged, so that there is no impact on the level of District Rates.

**xxv) Revenue Expenditure Funded from Capital under Direction (REFCUD)**

Section 19(3) of the Local Government Finance Act (Northern Ireland) 2011 allows the Department for Communities to issue capitalisation directions to the councils. This permits specified items of expenditure normally classified as revenue to be treated as capital expenditure. The costs of transition associated with the Reform of Local Government were allowed for capitalisation. The council received approval from the Department to capitalise such costs during the year.

Costs qualifying under REFCUD are charged to the relevant service in the Comprehensive Income and Expenditure Account and their effects on the General Fund are then mitigated by transfer between the General Fund and the Capital Adjustment Account.

**xxvi) Value Added Tax**

All expenditure and income, irrespective of whether it is revenue or capital in nature, is shown net of Value Added Tax, unless it is irrecoverable.

**xxvii) Fair Value Measurement**

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

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

The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. When measuring the fair value of a non-financial asset, the authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The authority uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

**1 b Accounting Standards That Have Been Issued but Have Not Yet Been Adopted**

The Code of Practice requires that the Council discloses information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted.

For 2022/23, the following accounting standards have been issued but not yet adopted within the Code of Practice on Local Authority Accounting.

It is not anticipated that these accounting changes will impact on the financial statements.

- Definition of a Business: Amendments to IFRS 3 Business Combinations
- Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7
- Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

**1 c Critical Judgements in Applying Accounting Policies**

In applying accounting policies set out from 1a above the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgement made in the Statement of Accounts is:

There is a high degree of uncertainty about future levels of funding for local government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision.

**1 d Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty**

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2023 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

**i) Property, Plant and Equipment**

Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. Whilst the current economic climate is uncertain the Council believes it will be able to sustain its current spending on repairs and maintenance, and hence the useful lives assigned to assets are reasonable.

**ii) Provisions**

Council has made an estimate of £10,442,131 based on professional historical reports, experience, current trends and other relevant factors in relation to landfill sites.

**iii) Pensions Liability**

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.

**iv) Fair Value Measurement**

When the fair values of financial assets and financial liabilities cannot be measured based on quoted prices in active markets (ie Level 1 inputs), their fair value is measured using valuation techniques (eg quoted prices for similar assets or liabilities in active markets or the discounted cash flow (DCF) model). Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. However, changes in the assumptions used could affect the fair value of the Council's assets and liabilities.

Where Level 1 inputs are not available, the Council employs relevant experts to identify the most appropriate valuation techniques to determine fair value (for example for investment properties, the Council's Chief Valuation Officer and External Valuer.)

Information about the valuation techniques and inputs used in determining the fair value of the Council's assets and liabilities is disclosed in notes 19,20 and 21 below.

The Council uses the discounted cash flow (DCF) model to measure the fair value of some of its investment properties and financial assets.

The significant unobservable inputs used in the fair value measurement include management assumptions regarding rent growth, vacancy levels (for investment properties) and discounts rates - adjusted for regional factors (for both investment properties and some financial assets)

Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value

## 2 Expenditure and Funding Analysis

This note provides a reconciliation of the main adjustments to Net Expenditure Chargeable to the General Fund to arrive at the amounts in the Comprehensive Income and Expenditure Statement. The relevant transfers between reserves are explained in the Movement in Reserves Statement

### 2 a Total Adjustments

Services	2022/23				2021/22	
	Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and accounting Basis	Net Expenditure in the CIES	Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and accounting Basis	Net Expenditure in the CIES
	Appendix 1 £'000's	Appendix 1 / Note 2b £'000's	Appendix 1 £'000's	Appendix 1 £'000's	Note 2c £'000's	Appendix 1 £'000's
Leisure and Development	11,464	5,631	17,095	8,317	6,452	14,769
Environmental Services	22,065	5,220	27,285	22,867	6,165	29,032
Corporate Policy and Resources	8,867	1,893	10,760	8,323	1,673	9,996
Planning	1,301	354	1,655	930	230	1,160
<b>Net Cost of Services</b>	<b>43,697</b>	<b>13,098</b>	<b>56,795</b>	<b>40,437</b>	<b>14,520</b>	<b>54,957</b>
Other Operating Expenditure	0	(103)	(103)	0	(211)	(211)
Statutory Provision for Capital Investment	7,139	(7,139)	0	6,835	(6,835)	0
Financing and Investment Income and	1,732	996	2,728	2,026	292	2,318
Taxation and Non-Specific Grant Income	(54,949)	(763)	(55,712)	(55,710)	(1,133)	(56,843)
<b>Other Income and Expenditure</b>	<b>(46,078)</b>	<b>(7,009)</b>	<b>(53,087)</b>	<b>(46,849)</b>	<b>(7,887)</b>	<b>(54,736)</b>
<b>(Surplus) / deficit on the Provision of Services</b>	<b>(2,381)</b>	<b>6,089</b>	<b>3,708</b>	<b>(6,412)</b>	<b>6,633</b>	<b>221</b>

### Reconciliation of General Fund Reserve and Net Expenditure Charged to it

	2022/23	2021/22
	£'000's	£'000's
Opening General Fund Balance	4,505	4,531
In year adjustments *	(3)	(189)
	<b>4,502</b>	<b>4,342</b>
(Deficit) on the Provision of Services Chargeable to the General Fund	2a	2,381
Transfers (to) / from Unusable Reserves	3	(954)
<b>Net Increase before transfers to Statutory and Other Reserves</b>	<b>MIRS</b>	<b>1,427</b>
T/fers (to) / from Usable Reserves	3	(1,338)
<b>Increase / (decrease) in year</b>	<b>3 / MIRS</b>	<b>89</b>
<b>Closing General Fund Balance</b>	<b>MIRS</b>	<b>4,591</b>

### Reconciliation of Unusable Reserves and Net Expenditure Charged to them

	2022/23	2021/22
	£'000's	£'000's
Opening Unusable Reserves	101,590	73,863
In year adjustments *	3	189
	<b>101,593</b>	<b>74,052</b>
(Deficit) on the Provision of Services Chargeable to Unusable Reserves	2a	(6,089)
T/fers (to) / from Landfill Regulation Reserve	3b / 3c	954
T/fers (to) / from Provision for Discount Rate Reserve	3b / 3c	0
<b>Transfers to / (from) Unusable Reserves</b>	<b>954</b>	<b>858</b>
<b>Adjustments between accounting basis and funding under regulations</b>	<b>MIRS</b>	<b>(5,135)</b>
Other Comprehensive Income	CIES	60,818
<b>Increase / (decrease) in year</b>	<b>MIRS</b>	<b>55,683</b>
<b>Closing Unusable Reserve Balances</b>	<b>MIRS</b>	<b>157,276</b>

In year adjustments \*

The current year adjustment of £3,147 is in respect of capital grant write off relating to the previous year. In the prior year £165,790 of capital grant was written off and historic depreciation was overstated by £23,618 - a combined transfer of £189,407 between the General Fund and the Capital Adjustment Account was made in that year to reflect this. In terms of the Capital Financing Requirement (Note 16 refers) the grant is stated at £166 (£'000,s) in the prior year and the historic depreciation is dealt with via a prior year adjustment (rounded) £26 (£'000's).

## 2 b Adjustments between the Funding and Accounting Basis by type - 2022/23

Services		2022/23			
		Adjustments capital purposes Appendix 1 £'000's	Adjustments pension purposes Appendix 1 £'000's	Adjustments Accum Absences purposes Appendix 1 £'000's	Adjustments between the Funding and accounting Basis Appendix 1 £'000's
Leisure and Development	4a	4,333	1,386	(88)	5,631
Environmental Services	4a	3,385	2,010	(175)	5,220
Corporate Policy and Resources	4a	678	1,039	176	1,893
Planning	4a	17	217	120	354
<b>Net Cost of Services</b>	<b>4a</b>	<b>8,413</b>	<b>4,652</b>	<b>33</b>	<b>13,098</b>
Other Operating Expenditure	8	(103)	0	0	(103)
Statutory Provision for Capital Investment	16	(7,139)	0	0	(7,139)
Financing and Investment Income and Expenditure	9	(52)	1,048	0	996
Taxation and Non-Specific Grant Income	10	(763)	0	0	(763)
<b>Other Income and Expenditure</b>		<b>(8,057)</b>	<b>1,048</b>	<b>0</b>	<b>(7,009)</b>
<b>(Surplus) / Deficit on the Provision of Services</b>		<b>356</b>	<b>5,700</b>	<b>33</b>	<b>6,089</b>

## 2 c Adjustments between the Funding and Accounting Basis by type - 2021/22

Services		2021/22			
		Adjustments capital purposes Appendix 1 £'000's	Adjustments pension purposes Appendix 1 £'000's	Adjustments Accum Absences purposes Appendix 1 £'000's	Adjustments between the Funding and accounting Basis Appendix 1 £'000's
Leisure and Development	4b	4,771	1,553	128	6,452
Environmental Services	4b	3,578	2,350	237	6,165
Corporate Policy and Resources	4b	591	1,156	(74)	1,673
Planning	4b	17	205	8	230
<b>Net Cost of Services</b>	<b>4b</b>	<b>8,957</b>	<b>5,264</b>	<b>299</b>	<b>14,520</b>
Other Operating Expenditure	8	(211)	0	0	(211)
Statutory Provision for Capital Investment	16	(6,835)	0	0	(6,835)
Financing and Investment Income and Expenditure	9	(867)	1,159	0	292
Taxation and Non-Specific Grant Income	10	(1,133)	0	0	(1,133)
<b>Other Income and Expenditure</b>		<b>(9,046)</b>	<b>1,159</b>	<b>0</b>	<b>(7,887)</b>
<b>(Surplus) / Deficit on the Provision of Services</b>		<b>(89)</b>	<b>6,423</b>	<b>299</b>	<b>6,633</b>

- i) Adjustments to General Fund Balances to meet the requirements of generally accepted accounting practices, this column adds in depreciation and impairment and revaluation gains and losses in the services line (Note 4 refers) and for:
- ii) Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets - Note 8 refers.
- iii) Financing and investment income and expenditure - the statutory charges for capital financing ie Minimum Revenue Provision and other revenue contributions are deducted from financing and investment income and expenditure as these are not chargeable under generally accepted accounting practices - Note 9 refers.
- iv) Taxation and Non Specific Grant Income and Expenditure – Capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year - Note 10 refers.

## 3 a Transfers to and from Earmarked Reserves (General Fund Appropriations)

	01 April 2021	Transfers In	Transfers Out	31 March 2022	Transfers In	Transfers Out	31 March 2023
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Repairs & Renewals Fund	1,243	540	0	1,783	0	0	1,783
Sinking Fund	5,064	0	0	5,064	686	0	5,750
Election Reserve	420	30	0	450	450	0	900
Area Planning Reserve (APR)	270	30	0	300	50	0	350
Reorganisation Reserve	609	391	0	1,000	0	0	1,000
Financial Recovery Reserve	4,488	4,400	0	8,888	2,010	1,858	9,040
<b>Total Earmarked Reserves</b>	<b>12,094</b>	<b>5,391</b>	<b>0</b>	<b>17,485</b>	<b>3,196</b>	<b>1,858</b>	<b>18,823</b>
<b>Net Transfer (From) / To General Fund</b>				<b>(5,391)</b>			<b>(1,338)</b>

Reserve	Purpose
Repairs and Renewals Fund	Repair and renewing council property
Sinking Fund	Redeeming commercial loans
Election Reserve	Equalising the effect of election expenses (4 yearly)
Area Planning Reserve (APR)	Equalising the effect of APR expenses (10 yearly)
Reorganisation Reserve	Equalising the effect of ongoing reorganisation expenses.
Financial Recovery Reserve	To offset future expenditure and income losses attributable to post Covid 19 recovery including inflationary pressures.

## Reconciliation of Movement on General Fund to adjustments between accounting basis and funding basis

		2022/23	2021/22
		£'000's	£'000's
Adjustments between accounting basis and funding basis under regulations	MIRS	5,135	5,775
Net Transfer (From) / To General Fund	3a	(1,338)	(5,391)
Deficit on the provision of services	CIES	(3,708)	(221)
Transfer to Usable Reserve re earlier years		(3)	(189)
<b>Movement on General Fund</b>	<b>2a</b>	<b>86</b>	<b>(26)</b>

## 3 b Detailed Summary of Unusable Reserves - Current Year

	Capital Adjustment Account	Investment Property Revaluation Reserve	Pension Reserve	Accumulated Absences Account	Provisions Discount Rate Reserve	Landfill Regulations Reserve	Totals
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
At 1 April 2022	51,156	84,617	8,521	(39,278)	(1,024)	(2,402)	101,590
Capital	(356)	0	0	0	0	0	(356)
Pension	0	0	0	(5,700)	0	0	(5,700)
Accumulated Absences	0	0	0	0	(33)	0	(33)
Transfers to Usable Reserve	0	0	0	0	0	954	954
<b>Adjust between accounting basis &amp; funding under regulations</b>	<b>(356)</b>	<b>0</b>	<b>0</b>	<b>(5,700)</b>	<b>(33)</b>	<b>0</b>	<b>(5,135)</b>
Other Comprehensive Transfers between Unusable	0	12,968	0	47,850	0	0	60,818
Transfer to Usable Reserve re earlier	1,910	(1,965)	55	0	0	0	0
	3	0	0	0	0	0	3
<b>At 31 March</b>	<b>52,713</b>	<b>95,620</b>	<b>8,576</b>	<b>2,872</b>	<b>(1,057)</b>	<b>(1,448)</b>	<b>157,276</b>

## 3 c Detailed Summary of Unusable Reserves - Prior Year

	Capital Adjustment Account	Revaluation Reserve	Investment Property Revaluation Reserve	Pension Reserve	Accumulated Absences Account	Provisions Discount Rate Reserve	Landfill Regulations Reserve	Totals
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
At 1 April 2021	49,865	77,235	7,651	(56,903)	(725)	(620)	(2,640)	73,863
Capital	89	0	0	0	0	0	0	89
Pension	0	0	0	(6,423)	0	0	0	(6,423)
Accumulated Absences	0	0	0	0	(299)	0	0	(299)
Transfer to Usable Reserve	0	0	0	0	0	620	238	858
<b>Adjust between accounting basis &amp; funding under regulations</b>	<b>89</b>	<b>0</b>	<b>0</b>	<b>(6,423)</b>	<b>(299)</b>	<b>620</b>	<b>238</b>	<b>(5,775)</b>
Other Comprehensive Transfers between Unusable Transfers between Unusable Reserves re earlier years	0	9,265	0	24,048	0	0	0	33,313
	1,013	(1,883)	870	0	0	0	0	0
	189	0	0	0	0	0	0	189
<b>At 31 March</b>	<b>51,156</b>	<b>84,617</b>	<b>8,521</b>	<b>(39,278)</b>	<b>(1,024)</b>	<b>0</b>	<b>(2,402)</b>	<b>101,590</b>

**Capital Adjustment Account**

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for the acquisition, construction or enhancement of those assets under statutory provisions.

The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement, with reconciling postings from the Revaluation Reserve to convert fair value figures to an historic cost basis.

Prior to the creation of an Investment Property Revaluation Reserve this Account contained accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Council.

The Account also used to contain revaluation gains accumulated on Property, Plant and Equipment before 1 April 2008, the date that the Revaluation Reserve was created to hold such gains - an in year adjustment has been made to remove such movements to the Revaluation Reserve.

**Revaluation Reserve**

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment and Intangible Assets. The reserve is reduced when assets with accumulated gains are:

- i) revalued downwards or impaired and the gains are lost
- ii) used in the provision of services and the gains are consumed through depreciation, or
- iii) disposed of and the gains are realised.

Formerly the reserve contained only revaluation gains accumulated since 1 April 2008, the date the reserve was created. Accumulated gains arising before that date were consolidated into the balance on the Capital Adjustment Account.

The purpose of this reserve is to build up a balance based on the revaluation (upwards or downwards) of individual assets. All such revaluations (excluding impairment losses that have been debited to Surplus/(Deficit) on the Provision of Services) are mirrored in Other Comprehensive Income and Expenditure. It is a fundamental principle of this reserve that it never becomes negative. If an asset was held at current value when derecognised, the balance held on the Revaluation Reserve is written off to the Capital Adjustment Account.

**Investment Property Revaluation Reserve**

Investment Property changes in fair value are credited to Financing and Investment Income in the Comprehensive Income and Expenditure Statement (Note 9 refers) and consequently result in an unrealised gain or loss in the General Fund Balance. Such revaluation gains and losses are not permitted by statutory arrangements to have an impact on the General Fund and consequently these gains are reversed to the Investment Property Revaluation Reserve to separately identify and reflect the cumulative movement on Investment Property assets.

**Pension Reserve**

Refer to Note 21

**Accumulated Absences Account**

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year e.g. staff annual leave entitlement carried forward at the end of the financial year. Statutory arrangements are expected to require that the impact on the General Fund is neutralised by transfers to or from this Accumulated Absences Account.

**Provisions Discount Rate Reserve (PDRR)**

The Provisions Discount Rate Reserve is a negative reserve created in 2017/18 to cover the arrangement, put in place by the Department for Communities in its amendment to the 2017/18 accounts direction (Circular LG 05/18 which was issued on 8 March 2018), to allow mitigation of the impact of changes to the discount rate on landfill provisions for the Councils landfill sites at Craighulliar and Crosstagherty.

Subject to agreement with the Department, this arrangement allows a council to spread the cost of the impact of discount rate changes over a period of not more than 6 years. Notwithstanding the foregoing Council decided to reverse the remaining balance on this reserve to the general fund in the current year.

**Landfill Regulations Reserve**

Additional Landfill costs that were not allowed for by councils arose from the amendment of the Landfill Regulations (NI) 2003 by the Landfill (Amendment) Regulations (NI) 2011, affecting all sites that closed after the target transposition date for the Landfill Directive (1999/31/EC).

The Department for Communities' accounts direction (Circular LG 16/12 issued in May 2012) provides an option to spread costs for the affected landfill sites, creating a negative reserve within the financial statements of the particular council.

The Department for Communities has put in place a financial arrangement to allow for mitigation of specific approved costs relating to the closure and aftercare of the councils landfill sites over a set period of time. The approved costs and period of time are those agreed between the Council and the Department's Environment Policy Division in conjunction with the Northern Ireland Environment Agency (NIEA). The agreements are set out below.

**Closure Costs - Drumaduff Landfill Site (Limavady)**

Any landfill engineering closure costs in excess of £2,820,312 (currently estimated to be £1,124,316) may be spread in set proportions over a period of ten years commencing in the financial year in which the engineering works to close the landfill site start. The engineering work to close the Drumaduff site has not yet commenced.

**Aftercare Costs - Drumaduff Landfill Site**

Any landfill aftercare costs in excess of £773,680 (currently estimated to be £905,195) may be spread in set proportions over a period of ten years commencing in the financial year in which the engineering works to close the landfill site finish. This is based on an estimated aftercare provision of 30 years. The actual period of aftercare can only be agreed between NIEA and the Council after a full assessment is carried out as part of the closure works.





**c Revenue from contracts with service recipients**

Implementation of IFRS 15 - Revenue from Contracts with Customers has had no impact on the Council's revenue recognition for contracts with customers.

Amounts included in the Comprehensive Income and Expenditure Statement for contracts with service recipients comprise:

	2022/23	2021/22
	£'000's	£'000's
Leisure and Development	2,182	2,186
Environmental Services	397	371
Rental Income from Investment Property	647	614
<b>Total included in the Comprehensive Income and Expenditure Account</b>	<b>3,226</b>	<b>3,171</b>

**5 Cost of Services on Continuing Operations****5 a General power of competence**

Prior to Local Government Reform on 1st April 2015, expenditure for special purposes was limited under Section 40 of the Local Government Finance Act (Northern Ireland) 2011. This section was repealed by Schedule 10 of the Local Government Act (Northern Ireland) 2014.

Under Section 79 of the Local Government Act (Northern Ireland) 2014, the Council has the power to do anything that individuals generally may do. Councils have the power to do this with or without charge. The power of competence is not limited to benefitting the area or its residents nor is it limited by existing powers.

The actual expenditure under the power of competence amounted to £0 during 2022/23 (2021/22 - £0).

**5 b External Audit Fees**

	2022/23	2021/22
	£'000's	£'000's
External Audit Fees	85	84
Performance Audit Fees	22	22
National Fraud Initiative (NFI)	1	0
Extraordinary Audit	0	90
	<b>108</b>	<b>196</b>

**6 Council as Lessor:****6 a Finance Leases (Council as Lessor)**

The Council has no finance leases where the Council acts as lessor.

**6 b Operating Leases (Council as Lessor)**

The Council, in accordance with its statutory and discretionary responsibilities, leases out property and equipment under operating leases for the following purposes:

- for the provision of community services, such as sports facilities, tourism services and community centres
- for economic development purposes to provide suitable affordable accommodation for small local businesses
- any other purposes

Rental income recognised in the Comprehensive Income and Expenditure Statement in the current year amounts to £805,289 (2022-£779,557).

The lease contracts are all non-cancellable and do not include an extension option. The lease agreement terms are between 1 to 120 years. Future minimum lease income is set out below:

	2022/23		2021/22	
	Land and Buildings £'000's	Vehicles, Plant and Equipment £'000's	Land and Buildings £'000's	Vehicles, Plant and Equipment £'000's
<b>Minimum lease rentals receivable:</b>				
No later than 1 year	750	0	703	0
Later than 1 year and no later than 5 years	2,857	0	2,692	0
Later than 5 years	54,140	0	54,121	0
	<b>57,747</b>	<b>0</b>	<b>57,516</b>	<b>0</b>

The assets leased by the Council to third parties are included in the following categories of Property, Plant and Equipment with carrying values of:

	2022/23		2021/22	
	Land and Buildings £'000's	Vehicles, Plant and Equipment £'000's	Land and Buildings £'000's	Vehicles, Plant and Equipment £'000's
Cost	11,676	0	11,426	0
Reclassifications / Transfers	0	0	0	0
Accumulated depreciation and impairments at 1 April	(92)	0	(92)	0
Depreciation charge for the year	0	0	0	0
Impairments	(230)	0	0	0
Revaluations	55	0	250	0
<b>Net Book Value</b>	<b>11,409</b>	<b>0</b>	<b>11,584</b>	<b>0</b>

In some instances parts of buildings have been leased to third parties. In these circumstances no attempt has been made to apportion costs, accumulated depreciation nor depreciation charge for the year to the area occupied by such third parties as such costs are trivial.

**Council as Lessee:****6 c Finance Leases (Council as lessee)**

The Council had no lessee finance leases during the current nor the preceding year.

**6 d Operating Leases (Council as lessee)**

The expenditure charged to services in the Comprehensive Income and Expenditure Statement during the year in relation to operating leases was:

	2022/23			2021/22		
	Land and Buildings £'000's	Vehicles, Plant and Equipment £'000's	Total £'000's	Land and Buildings £'000's	Vehicles, Plant and Equipment £'000's	Total £'000's
Minimum lease payments	77	60	137	77	60	137
Contingent rentals	0	0	0	0	0	0
Less: Sublease payments receivable	0	0	0	0	0	0
	<b>77</b>	<b>60</b>	<b>137</b>	<b>77</b>	<b>60</b>	<b>137</b>

The future minimum lease payments due under non-cancellable operating leases in future years are set out below:

	2022/23			2021/22		
	Land and Buildings £'000's	Vehicles, Plant and Equipment £'000's	Total £'000's	Land and Buildings £'000's	Vehicles, Plant and Equipment £'000's	Total £'000's
<b>Minimum lease rentals payable:</b>						
No later than 1 year	31	60	91	33	60	93
Later than 1 year and no later than 5 years	123	206	329	127	239	366
Later than 5 years	369	57	426	478	263	741
	<b>523</b>	<b>323</b>	<b>846</b>	<b>638</b>	<b>562</b>	<b>1,200</b>

**7 Employee Costs and Member Allowances****7 a Employee Costs**

	2022/23	2021/22
	£'000's	£'000's
Salaries and Wages	19,148	17,607
Employer's National Insurance Contributions	1,948	1,664
Employer's Superannuation	3,447	3,235
Employer's Superannuation - Civil Service Scheme	256	245
Apprentice Levy	79	74
<b>Total Employee Costs</b>	<b>24,878</b>	<b>22,825</b>

In addition to the staff costs noted above Agency Staff costs amounted to £9,972,522 (2021/22- £7,834,555).

The Council's current contribution rate to the NILGOSC scheme is 19.50%. At the last actuarial valuation, dated 31 March 2019, the Fund's assets as a whole were sufficient to meet 112% (2016: 91%) of the liabilities accrued up to that date.

**7 b Average Number of Employees - where FTE represents fulltime equivalent employees**

	2022/23	2021/22
	FTE	FTE
Leisure and Recreational Services	162	157
Environmental services	256	268
Corporate Policy and Resources	91	95
Planning and Development Services	45	45
<b>Total Number</b>	<b>554</b>	<b>565</b>

	2022/23	2021/22
	Actual	Actual
	Numbers	Numbers
Full-time numbers employed	522	487
Part-time numbers employed	130	127
<b>Total Number</b>	<b>652</b>	<b>614</b>

**7 c Senior Employees' Remuneration**

	2022/23	2021/22
	Number	Number
Salary Bands		
£50,001 to £60,000	15	16
£60,001 to £70,000	12	5
£70,001 to £80,000	1	0
£80,001 to £90,000	0	0
£90,001 to £100,000	3	3
£100,001 to £110,000	0	0
£110,001 to £120,000	0	0
£120,001 to £130,000	1	1
<b>Total Number</b>	<b>32</b>	<b>25</b>

**7 d Northern Ireland Civil Service Pension Arrangements**

As a result of Reform on 1st April 2015, staff transferred from Central Government to the Council are members of the Northern Ireland Civil Service Pension Scheme.

The Northern Ireland Civil Service Pension arrangements are unfunded multi-employer defined benefit schemes but the Department for Communities is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2019. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the Department of Finance Superannuation and Other Allowances Resource Accounts as at 31 March 2022.

For 2022/2023 employers' contributions of £249,812 (2021/22-£245,106) were payable to the NICS pension arrangements at one of four rates in the range 20.8% to 26.3% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2021 was completed by the Actuary during 2021/22. This valuation was used to determine employer contribution rates for the introduction of a new career average earning scheme from April 2015 to existing pensioners. The contribution rates are set to meet the cost of the benefits accruing during 2021/22 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. None of the employees transferring from Central Government to the Council exercised this option.

Contributions due to the partnership pension providers at the reporting period to date were £NIL. Contributions prepaid at that date were £NIL.

**8 Other Operating Expenditure**

		2022/23	2021/22
		£'000's	£'000's
(Profit) / Loss on sale of Non Current Assets *	11e	(103)	(211)
<b>Totals</b>		<b>(103)</b>	<b>(211)</b>

\* All elements of Other Operating Expenditure form part of Capital Adjustments adjusted via Capital Adjustment Account - notes 2a and 2b refer.

9 **Financing and Investment Income and Expenditure**

	2022/23			2021/22		
	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's
Interest Payable and Similar Charges	1	0	1	0	0	0
Government Loan Interest	2,005	0	2,005	2,219	0	2,219
Commercial Loan interest	467	0	467	468	0	468
Investment Income	0	151	(151)	0	87	(87)
Pensions interest cost ~	1,048	0	1,048	1,159	0	1,159
Investment Property Income and Expenditure	57	647	(590)	40	614	(574)
Investment Property Expenditure	3	0	3	3	0	3
Depreciation of Equipment **						
Changes in Fair Value of Investment	0	55	(55)	0	870	(870)
<b>Totals</b>	<b>3,581</b>	<b>853</b>	<b>2,728</b>	<b>3,889</b>	<b>1,571</b>	<b>2,318</b>

~ Pension Interest Cost forms part of Pension adjustments and is adjusted via Pension Adjustments and the Pension Reserve - notes 3b and 3c refer.

\*\* Changes in Fair Value of Investment Properties and Investment Property Equipment Depreciation forms part of Capital Adjustments adjusted via The Capital Adjustment Account and The Investment Property Revaluation Reserve - notes 3b and 3c refer.

10 **Taxation and Non Specific Grant Income**

	2022/23 £'000's	2021/22 £'000's
Rates	52,387	49,601
Finalisation - Prior Year	(1,129)	(923)
Finalisation - Current Year	324	1,129
	<b>51,582</b>	<b>49,807</b>
Rates Support Grant	1,192	2,933
De-Rating Grant	1,833	1,687
Transferring Functions Grant	343	378
Covid 19 Funding Support **	0	904
<b>Total General Grants</b>	<b>3,368</b>	<b>5,902</b>
Capital Grant Receivable*	23a	763
		1,134
<b>Totals</b>	<b>55,713</b>	<b>56,843</b>

\* Capital Grant Receivable forms part of Capital Adjustments adjusted via Capital Adjustment Account - notes 3b and 3c refer. See also Note 23a.

\*\* Covid 19 Funding Support was received in the previous financial year and under Dfc direction was to be treated as current year income and immediately transferred to an earmarked reserve - the now renamed Financial Recovery Reserve.

## 11a Current Year Cost, Depreciation and Net Book Values

Cost	Infrastructure		Vehicles, Plant & Equipment		Community Assets	PP&E Under Construction	Surplus Assets	Heritage		Investment Properties	Intangible Assets	TOTAL
	Land	Buildings	Assets	Assets				Assets	Total PP&E			
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<b>As at 01 April 2022</b>	49,421	133,484	17,482	25,943	2,525	3,092	3,360	1,800	237,107	9,685	298	247,090
Additions (Note 16)	0	0	0	2,032	0	6,490	0	0	8,522	0	9	8,531
Revaluation increases/ decreases to Revaluation Reserve	1,539	4,149	468	0	0	0	(40)	0	6,116	0	0	6,116
Revaluation increases/ decreases to Surplus or Deficit on the Provision of Services	(15)	744	0	0	0	0	0	0	729	0	0	729
Change in fair value of Investment Properties	0	0	0	0	0	0	0	0	0	55	0	55
Derecognition - Disposals	0	0	0	(263)	0	0	0	0	(263)	0	0	(263)
Derecognition - Other	0	0	0	0	0	(27)	0	0	(27)	0	0	(27)
Reclassifications & Transfers	0	992	3,337	949	7	(5,990)	0	0	(705)	0	705	0
<b>As at 31 March 2023</b>	<b>50,945</b>	<b>139,369</b>	<b>21,287</b>	<b>28,661</b>	<b>2,532</b>	<b>3,565</b>	<b>3,320</b>	<b>1,800</b>	<b>251,479</b>	<b>9,740</b>	<b>1,012</b>	<b>262,231</b>

Depreciaton	Infrastructure		Vehicles, Plant & Equipment		Community Assets	PP&E Under Construction	Surplus Assets	Heritage		Investment Properties	Intangible Assets	TOTAL
	Land	Buildings	Assets	Assets				Assets	Total PP&E			
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<b>As at 01 April 2022</b>	0	676	4,999	16,405	0	0	0	0	22,080	0	171	22,251
Depreciation Charge	0	6,531	825	1,681	0	0	0	0	9,037	0	48	9,085
Depreciation written out on Revaluation Reserve	0	(6,529)	(323)	0	0	0	0	0	(6,852)	0	0	(6,852)
Derecognition - Disposals	0	0	0	(260)	0	0	0	0	(260)	0	0	(260)
<b>As at 31 March 2023</b>	<b>0</b>	<b>678</b>	<b>5,501</b>	<b>17,826</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24,005</b>	<b>0</b>	<b>219</b>	<b>24,224</b>

## Net Book Values

<b>As at 31 March 2023</b>	<b>50,945</b>	<b>138,691</b>	<b>15,786</b>	<b>10,835</b>	<b>2,532</b>	<b>3,565</b>	<b>3,320</b>	<b>1,800</b>	<b>227,474</b>	<b>9,740</b>	<b>793</b>	<b>238,007</b>
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**11b Prior Year Cost, Depreciation and Net Book Values**

	Land	Buildings	Infrastructure Assets	Vehicles, Plant & Equipment	Community Assets	PP&E Under Construction	Surplus Assets	Heritage Assets	Total PP&E	Investment Properties	Intangible Assets	TOTAL
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<b>As at 01 April 2021</b>	47,445	130,885	16,584	23,986	2,390	4,903	3,045	1,800	231,038	8,605	201	239,844
Additions (Note 16)	0	0	0	682	0	3,445	0	0	4,127	0	0	4,127
Revaluation increases/ decreases to Revaluation Reserve	1,787	674	(150)	0	0	0	609	0	2,920		0	2,920
Revaluation increases/ decreases to Surplus or Deficit on the Provision of Services	(43)	163	0	0	0	0	0	0	120	0	0	120
Change in fair value of Investment Properties	0	0	0	0	0	0	0	0	0	870	0	870
Derecognition - Disposals	0	(37)	0	(388)	0	0	0	0	(425)	0	0	(425)
Derecognition - Other	0	0	0	0	0	(366)	0	0	(366)	0	0	(366)
Reclassifications & Transfers	232	1,799	1,048	1,663	135	(4,890)	(294)	0	(307)	210	97	0
<b>As at 31 March 2022</b>	<b>49,421</b>	<b>133,484</b>	<b>17,482</b>	<b>25,943</b>	<b>2,525</b>	<b>3,092</b>	<b>3,360</b>	<b>1,800</b>	<b>237,107</b>	<b>9,685</b>	<b>298</b>	<b>247,090</b>

Depreciation	Land	Buildings	Infrastructure Assets	Vehicles, Plant & Equipment	Community Assets	PP&E Under Construction	Surplus Assets	Heritage Assets	Total PP&E	Investment Properties	Intangible Assets	TOTAL
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<b>As at 01 April 2021</b>	0	395	4,536	15,086	0	0	0	0	20,017	0	141	20,158
Depreciation Charge	0	6,325	770	1,698	0	0	0	0	8,793	0	30	8,823
Depreciation written out on Revaluation Reserve	0	(6,038)	(307)	0	0	0	0	0	(6,345)	0	0	(6,345)
Impairment losses/reversals to Surplus or Deficit on the Provision of Services	0	1	0	0	0	0	0	0	1	0	0	1
Derecognition - Disposals	0	(7)	0	(379)	0	0	0	0	(386)	0	0	(386)
<b>As at 31 March 2022</b>	<b>0</b>	<b>676</b>	<b>4,999</b>	<b>16,405</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,080</b>	<b>0</b>	<b>171</b>	<b>22,251</b>

**Net Book Values**

<b>As at 31 March 2022</b>	<b>49,421</b>	<b>132,808</b>	<b>12,483</b>	<b>9,538</b>	<b>2,525</b>	<b>3,092</b>	<b>3,360</b>	<b>1,800</b>	<b>215,027</b>	<b>9,685</b>	<b>127</b>	<b>224,839</b>
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## 11c Revaluation Reserve

2023	Land		Infrastructure	Vehicles, Plant & Equipment	Community Assets	PP&E Under Construction	Surplus Assets	Heritage Assets	Total PP&E	Investment Properties	Intangible Assets	TOTAL
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<b>As at 01 April 2022</b>	23,929	54,275	2,524	0	183	0	2,074	1,632	84,617	8,521	0	93,138
Adjustments*			0	0	0	0		0	0	0	0	0
<b>As at 1 April as restated</b>	23,929	54,275	2,524	0	183	0	2,074	1,632	84,617	8,521	0	93,138
Revaluation increases/ decreases to Revaluation Reserve @ cost	1,539	4,149	468	0	0	0	(40)	0	6,116	0	0	6,116
Change in fair value of Investment Properties	0	0	0	0	0	0	0	0	0	55	0	55
Depreciation written out on Revaluation Reserve	0	6,529	323	0	0	0	0	0	6,852	0	0	6,852
Excess of depreciation on revalued amounts over historic values	0	(1,718)	(247)	0	0	0	0	0	(1,965)	0	0	(1,965)
<b>As at 01 April 2023</b>	<b>25,468</b>	<b>63,235</b>	<b>3,068</b>	<b>0</b>	<b>183</b>	<b>0</b>	<b>2,034</b>	<b>1,632</b>	<b>95,620</b>	<b>8,576</b>	<b>0</b>	<b>104,196</b>

Balances and movements on Total PP&E plus Intangible Assets reflect the contributions by each asset category to the Revaluation Reserve.

Balances and movements on Investment Properties reflect the changes to the Investment Property Reserve.

Adjustments \* The reclassification of Land and Buildings as Surplus assets requires the transfer of the associated Revaluation Reserves.

2022	Land		Infrastructure	Vehicles, Plant & Equipment	Community Assets	PP&E Under Construction	Surplus Assets	Heritage Assets	Total PP&E	Investment Properties	Intangible Assets	TOTAL
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
<b>As at 01 April 2021</b>	22,417	53,972	2,603	0	183	0	(3,572)	1,632	77,235	7,651	0	84,886
Adjustments *	(275)	(4,762)	0	0	0	0	5,037	0	0	0	0	0
Revaluation increases/ decreases to Revaluation Reserve @ cost	1,787	674	(150)	0	0	0	609	0	2,920	0	0	2,920
Change in fair value of Investment Properties	0	0	0	0	0	0	0	0	0	870	0	870
Depreciation written out on Revaluation Reserve	0	6,038	307	0	0	0	0	0	6,345	0	0	6,345
Excess of depreciation on revalued amounts over historic values	0	(1,647)	(236)	0	0	0	0	0	(1,883)	0	0	(1,883)
<b>As at 01 April 2022</b>	<b>23,929</b>	<b>54,275</b>	<b>2,524</b>	<b>0</b>	<b>183</b>	<b>0</b>	<b>2,074</b>	<b>1,632</b>	<b>84,617</b>	<b>8,521</b>	<b>0</b>	<b>93,138</b>
			2022/23	2021/22								

Revaluation increases/ decreases to Revaluation Reserve @ cost

6,116 2,920

Depreciation written out on Revaluation Reserve

6,852 6,345

Rounding

**Surplus/(Deficit) on revaluation of non-current assets**

**12,968 9,265**

**11d Impairment / Impairment Reversal Charged to CIES (Notes 3a and 3b refer).**

2023	Land	Buildings	Infrastructure	Vehicles, Plant & Equipment	Community	PP&E Under	Surplus	Heritage	Total	Investment	Intangible	TOTAL
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Cost	(15)	744	0	0	0	0	0	0	729	0	0	729
Net Impairment Reversal / (Impairment)	(15)	744	0	0	0	0	0	0	729	0	0	729

2022												
	£	£	£	£	£	£	£	£	£	£	£	£
Cost	(43)	163	0	0	0	0	0	0	120	0	0	120
Depreciation	0	(1)	0	0	0	0	0	0	(1)	0	0	(1)
Net Impairment Reversal / (Impairment)	(43)	162	0	0	0	0	0	0	119	0	0	119

This note quantifies by asset class the amount of Net Impairment Reversal/ (Impairment) charged to the CIES (Notes 4a and b also refer).

The Council carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at fair value is revalued at least every five years.

11 e	Disposal of non current assets	2023	2022
		£'000's	£'000's
	Cost of assets disposed	(263)	(425)
	Depreciation eliminated on disposal	260	386
	<b>Carrying amount of non-current assets sold</b>	<b>(3)</b>	<b>(39)</b>
	Proceeds from sale of fixed assets	106	(250)
	<b>Profit on sale of non current assets</b>	<b>(103)</b>	<b>(211)</b>

Note 8 refers.

#### 11 f Derecognition - Other

Expenditure of £26,905 on a number of projects was derecognised and treated as revenue.

#### 11 g Heritage Assets

The Council's Heritage Assets are reported in this year's Balance Sheet at amounts supplied by a professional valuer on the 31st March 2019. A further valuation of civic regalia concluded in the 2020/21 resulting in an overall devaluation within heritage assets of £9,710.

#### 11 h Fair Value Hierarchy for Surplus Assets

Details of the Council's surplus assets and information about the fair value hierarchy as at 31st March 2023 and 2022 are as follows:-

2022/23 Recurring fair value measurements using:	Quoted Prices in active markets for identical assets (Level 1) £'000's	Other significant	Significant	Fair value as at 31 March 2023 £'000's
		observable	unobservable	
		inputs (Level 2) £'000's	inputs (Level 3) £'000's	
Type 1	0	0	0	0
Type 2	0	3,320	0	3,320
Type 3	0	0	0	0
<b>Total</b>	<b>0</b>	<b>3,320</b>	<b>0</b>	<b>3,320</b>

2021/22 Recurring fair value measurements using:	Quoted Prices in active markets for identical assets (Level 1) £'000's	Other significant	Significant	Fair value as at 31 March 2022 £'000's
		observable	unobservable	
		inputs (Level 2) £'000's	inputs (Level 3) £'000's	
Type 1	0	0	0	0
Type 2	0	3,360	0	3,360
Type 3	0	0	0	0
<b>Total</b>	<b>0</b>	<b>3,360</b>	<b>0</b>	<b>3,360</b>

#### Transfers between levels of the fair value hierarchy

There were no transfers between Levels 1 and 2 during the year.

#### Valuation Techniques used to Determine Level 2 and 3 Fair Values for Surplus Assets

##### Significant observable inputs – Level 2

Based on market values provided by a suitably qualified expert.

##### Significant observable inputs – Level 3

Council holds no assets at this level of categorisation.

#### Transfers between levels of the fair value hierarchy

There were no transfers between Levels 2 and 3 during the year.

#### Highest and best use of surplus assets

In estimating the fair value of the Council's surplus assets, the highest and best use of the assets is their current use.

#### Valuation Techniques

There has been no change in the valuation techniques used during the year for surplus assets.

**11 i Valuation Process for Investment Property**

Property held by the Council solely for the purpose of generating rental income and/or capital appreciation is recognised as Investment Property and revalued annually.

Gains or losses arising from changes in the fair value of the investment property are recognised in Note 9 "Financing and Investment and Expenditure".

Council's principal investment property is the land at the Giant's Causeway Visitor Centre and the market valuation is derived on the basis of future rental income from the National Trust.

**11 j Intangible Assets**

Intangible Assets comprise Computer and Telephony Licences £10,036 (2022 - £29,783) ,Route Optimisation Work £77,726 (2022-£97,157) and the planning portal £705,000 (2022 - £Nil).

**12 Debtors**

<b>12 a Long Term Debtors</b>	<b>2023</b>	<b>2022</b>
	<b>£'000's</b>	<b>£'000's</b>
Public Sector Debtors	727	818
Employee Loans	37	49
<b>Total Long-Term Debtors</b>	<b>764</b>	<b>867</b>

<b>12 b Short Term Debtors</b>	<b>2023</b>	<b>2022</b>
	<b>£'000's</b>	<b>£'000's</b>
Public Sector Debtors	1,413	1,581
Employee Loans	59	71
Revenue Grants due from the public sector	1,748	2,569
Capital Grants due from the public sector	618	618
Trade Receivables	1,036	1,884
Impairment loss - Trade receivables	(70)	(29)
Prepayments & Accrued Income	232	206
Other	292	310
<b>Total Short-Term Debtors</b>	<b>5,328</b>	<b>7,210</b>

<b>Total Debtors</b>	<b>6,092</b>	<b>8,077</b>
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<b>12 c Trade debtors inclusive of impairment can be analysed by age as follows:</b>	<b>2023</b>	<b>2022</b>
	<b>£'000's</b>	<b>£'000's</b>
Less than three months	1,375	1,700
Three to six months	25	122
Six months to one year	110	11
More than one year	87	22
<b>Total Aged Trade Receivables after Impairment Provision</b>	<b>1,597</b>	<b>1,855</b>

**13 Investments**

All deposits held by Council at 31 March 2023 are due to mature within three months of deposit and are treated as cash and cash equivalents within Causeway Coast and Glens Borough Council's Balance Sheet - Note 25c refers. Accordingly, Council does not hold any Short or Long Term Investments as defined by the Code.

<b>14 Inventories</b>	<b>2023</b>	<b>2022</b>
	<b>£'000's</b>	<b>£'000's</b>
Fuel	71	86
Central Stores	95	88
<b>Total</b>	<b>166</b>	<b>174</b>

**15 Borrowings**

<b>15 a Short Term Borrowing</b>	<b>2023</b>	<b>2022</b>
	<b>£'000's</b>	<b>£'000's</b>
Loans re-payable within one year	6,504	4,869

<b>Total Short Term Borrowing</b>	<b>6,504</b>	<b>4,869</b>
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Council did not draw down any new Loan finance during 2022/23.

<b>15 b Long Term Borrowing</b>	<b>2023</b>	<b>2022</b>
	<b>£'000's</b>	<b>£'000's</b>
Between 1 and 2 years	4,039	4,504
Between 2 and 5 years	9,991	13,032
Between 5 and 10 years	11,072	12,022
In more than 10 years	24,870	26,918
<b>Total Long Term Borrowing</b>	<b>49,972</b>	<b>56,476</b>

<b>Total Borrowing</b>	<b>56,476</b>	<b>61,345</b>
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<b>15 c Analysed over:</b>	<b>2023</b>	<b>2022</b>
	<b>£'000's</b>	<b>£'000's</b>
Government Loans	46,476	51,345
Commercial Loans	10,000	10,000
	<b>56,476</b>	<b>61,345</b>

Interest rates on Government Loans range between 1.14% to 16.25%

Interest rates on Commercial Loans range between 4.45% to 4.99 %

**16 Capital Expenditure**

Capital Expenditure		2023	2022
		£'000's	£'000's
Opening Capital Financing Requirement		71,948	78,912
<b>Capital Investment</b>			
Non Current Assets	11a / 11b	8,531	4,127
Net Revenue Expenditure funded from capital under statute	4a / 4b	60	257
Historical depreciation adjustment	2b		(26)
<b>Sources of Finance</b>			
Capital Receipts	MIRS / 26a	(106)	(250)
Government Grants and Other Contributions Released	10	(763)	(1,133)
Movement in Grants received in advance	25e	(1,242)	(2,735)
Capital Grant Disposal	23a	0	(3)
Transfers to Sinking Fund	3	(686)	0
<b>Sums set aside from Revenue</b>			
Direct Revenue Contributions	11a,11b,11f	(27)	(366)
Minimum Revenue Provision	2	(7,139)	(6,835)
<b>Closing Capital Financing Requirement</b>		<b>70,576</b>	<b>71,948</b>

Explanation of Movements in Year	2023	2022
	£'000's	£'000's
Decrease in underlying need to borrow	(1,372)	(6,964)
<b>Increase/(decrease) in Capital Financing Requirement</b>	<b>(1,372)</b>	<b>(6,964)</b>

**17 Future Capital Commitments**

The Council has an ongoing programme of capital works and the estimated cost of these schemes are as follows:

	Gross Cost	Grant Aid	Net Cost
	£'000's	£'000's	£'000's
Schemes underway	1,514	1,551	(37)
Other Commitments	4,188	2,928	1,260
<b>Total</b>	<b>5,702</b>	<b>4,479</b>	<b>1,223</b>

Other commitments relate to capital schemes which have been tendered and are subject to contract approval.

**18 Creditors**

<b>18 a Short Term Creditors</b>	<b>2023</b>	<b>2022</b>
	<b>£'000's</b>	<b>£'000's</b>
Public Sector Creditors	241	944
Employee Creditors	1,966	1,224
Loan Interest Payable	415	448
Capital Creditors	298	18
Receipts in advance	3,190	3,585
Trade creditors	4,765	2,657
Accruals and Other	550	439
Deferred Revenue Grants **	2,434	1,056
<b>Total Short Term Creditors</b>	<b>13,859</b>	<b>10,371</b>

Deferred Revenue Grants \*\* includes £212,055 (2022-£852,283) of funding from Central Government given for Community Support in response to the Covid 19 pandemic.

**18 b** Council has no long term creditors in the current year nor the preceding year.

**18 c Payment of Invoices**

The Council has a target of paying supplier invoices within 30 calendar days. During the year the Council paid 25,641 invoices totalling £82,949,097 (2021/22 paid 25,956 invoices totalling £55,671,462).

	<b>2023</b>	<b>2022</b>
Total Invoices paid	25,641	25,956
Paid within 30 days	23,220	23,839
% within 30 days	91%	92%
Paid within 10 days	17,367	17,823
% within 10 days	68%	69%
After 30 days	2,421	2,117
% after 30 days	9%	8%
Number of Disputed Invoices	149	134
Average Payment Days	16.22 days	16.27 days

**19 Provisions****19 a Current Year**

Provisions	At 1 April 2022 £'000's	Increase in provision during year £'000's	Utilised during year £'000's	Unused amounts reversed £'000's	Interest cost and/or discount rate changes £'000's	At 31 March 2023 £'000's
Landfill Provision	13,345	60	1	0	(2,964)	10,442
	<b>13,345</b>	<b>60</b>	<b>1</b>	<b>0</b>	<b>(2,964)</b>	<b>10,442</b>
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Current Provisions	0	0	0	0	0	0
Long Term Provisions	13,345	60	1	0	(2,964)	10,442
	<b>13,345</b>	<b>60</b>	<b>1</b>	<b>0</b>	<b>(2,964)</b>	<b>10,442</b>

**19 b Comparative Year Provisions**

Provisions	At 1 April 2021 £'000's	Increase in provision during year £'000's	Utilised during year £'000's	Unused amounts reversed £'000's	Interest cost and/or discount rate changes £'000's	At 31 March 2022 £'000's
Landfill Provision	13,935	340	(40)	0	(890)	13,345
	<b>13,935</b>	<b>340</b>	<b>(40)</b>	<b>0</b>	<b>(890)</b>	<b>13,345</b>
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Current Provisions	0	0	0	0	0	0
Long Term Provisions	13,935	340	(40)	0	(890)	13,345
	<b>13,935</b>	<b>340</b>	<b>(40)</b>	<b>0</b>	<b>(890)</b>	<b>13,345</b>

**Landfill closure & aftercare**

Landfill provisions are in place in respect of all council landfill sites at Craighulliar (Portrush), Crosstagherty (Ballymoney) and Drumaduff (Limavady). The provisions cover the estimated future costs of closure and subsequent aftercare for at least 30 years following closure. RPS Consulting Engineers submitted formal closure reports to the Council for each site, which included the cost estimates used in the calculation of the provision. A revised Craighulliar closure plan was submitted to Council in March 2019. The provisions, which are based on current cost prices, have been discounted using prescribed discount rates in accordance with IAS37. The basis of the discounts rates was amended by DfC in 2018/19 to reflect interest rates and inflation. The amendment mitigates the impact of changes to the discount rate by creating a negative landfill provisions discount rate reserve (note 3b&c).

During the year changes to the discount rates resulted in decreases to the provisions of £2,963,939 (2022 -decreases to the provisions of £889,978. The provisions by site are set out below.

Landfill Site	Closure		At 31 March	Closure		At 31 March
	Costs	Aftercare Costs	2023	Costs	Aftercare Costs	2022
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Craighulliar	1,989	1,789	3,778	2,166	3,382	5,548
Crosstagherty	183	592	775	203	751	954
Drumaduff	4,210	1,679	5,889	4,578	2,265	6,843
	<b>6,382</b>	<b>4,060</b>	<b>10,442</b>	<b>6,947</b>	<b>6,398</b>	<b>13,345</b>

**20 Financial Instruments**

The Council has no material exposure to any of the risk types identified below in its dealings with Financial Instruments.

**Credit Risk**

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. Customers are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Council. The provision for bad and doubtful debts reflects the Council's assessment of the risk of non-payment by trade debtors and, as such, there is no further additional estimated exposure to default and inability to collect.

Trade debtors are aged in Note 12 c to these accounts.

There is no historical experience of default in relation to deposits with banks and other financial institutions. Therefore there is no estimated exposure to risk of default.

**Liquidity Risk**

As the Council has ready access to borrowings from the Department of Finance's Consolidated Fund, there is no significant risk that it will be unable to raise finance to meet its commitments under Financial Instruments. The maturity analysis of financial liabilities is included in notes 15 to 19. All trade and other payables are due for payment within one year.

**Market Risk****Interest rate risk**

The Council has no material risk exposure in terms of its exposure to interest rate movements on its borrowings and investments.

**Foreign exchange risk**

The Council received minimal grant receipts denominated in euros and these were lodged at spot rates and thus has no material exposure to loss arising from movements in exchange rates.

**Fair Value of Soft Loans and Government Loans**

The Council is in receipt of loans from the Department of Finance (Government Loans) that differ from the prevailing market rates. The fair value of these loans together with Market Loans is analysed as follows for the current year - Government Loans in the prior year were disclosed at premature redemption values.

	2023	2022
	£'000's	£'000's
Government Loans	40,780	42,475
Market Loans	13,456	12,543
<b>Total</b>	<b>54,236</b>	<b>55,018</b>

The Council has not made any loans, at less than market rates (soft loans), to any voluntary or other external body.

**21 Retirement Benefits****21 a Participation in the Northern Ireland Local Government Officers' Pension Fund.**

As part of the terms and conditions of employment of its officers and other 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 that need to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Northern Ireland Local Government Officers' Pension Fund administered by the Northern Ireland Local Government Officers' Superannuation Committee. This is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets.

**21 b Transactions relating to retirement benefits - Comprehensive Income and Expenditure Statement Charges:**

The Council recognises the cost of retirement benefits in the Cost of Services on Continuing Operations when they are earned by employees, rather than when the benefits are eventually paid as pensions.

However, the charge the Council is required to make against district rates is based on the cash payable in the year, and the real cost of retirement benefits is reversed out in the adjustments between accounting basis & funding basis under regulations line, in the Movement on Reserves Statement.

The following transactions have been made in the Comprehensive Income and Expenditure Statement and the adjustments between accounting basis & funding basis under regulations line, in the Movement on Reserves Statement during the year:

	Note	2023 £'000's	2022 £'000's
<b>Net cost of services:</b>			
Current service cost	21 c	8,183	8,639
Past service cost/(gain)	21 c	181	0
<b>Net operating expenditure:</b>			
Net Interest on net defined benefit Liability (asset)	9	1,048	1,159
<b>Total Post-employment Benefits charged to the Surplus or Deficit on</b>		<b>9,412</b>	<b>9,798</b>
<b>Movement in Reserves Statement:</b>			
Reversal of net charges made for retirement benefits in accordance with IAS 19 and the Code		(9,412)	(9,798)
<b>Actual amount charged against the general fund balance for pensions in</b>			
Employers' contributions payable to scheme	21 c	3,712	3,375
<b>Net charge to the Comprehensive Income and Expenditure Statement</b>		<b>(5,700)</b>	<b>(6,423)</b>
The service cost figures include an allowance for administration expenses of £0.			
<b>Remeasurements recognised in Other Comprehensive Income and Expenditure</b>			
	Note	2023 £'000's	2022 £'000's
Liability gains/(losses) due to change in assumptions	21 c	90,346	16,100
Liability experience gains/(losses) arising in the year	21 c	(1,111)	2,417
Actuarial gains/(losses) on plan assets	21 c	(11,796)	(615)
Remeasurement Gain / (Loss)	21 c	(29,589)	6,146
<b>Total gains recognised in Other Comprehensive Income and Expenditure</b>		<b>47,850</b>	<b>24,048</b>

**21 c Assets and liabilities in relation to retirement benefits**

Reconciliation of present value of the scheme liabilities:	Note	2023	2022
		£'000's	£'000's
Balance as at 1 April		239,090	247,053
Current service cost	21 b	8,183	8,639
Interest cost		6,634	5,148
Contributions by members		1,156	1,098
<b>Remeasurement (gains) and losses:</b>			
Actuarial (gains)/losses arising from changes in financial assumptions	21 b	(90,346)	(16,100)
Actuarial gains/losses arising from demographic changes	21 b	1,111	(2,417)
Actuarial (gains)/losses arising on liabilities from experience	21 b	11,796	615
Past service costs/(gains)	21 b	181	0
Estimated unfunded benefits paid		(32)	(31)
Estimated benefits paid		(5,564)	(4,915)
<b>Balance as at 31 March</b>		<b>172,209</b>	<b>239,090</b>

Reconciliation of present value of the scheme assets:	Note	2023	2022
		£'000's	£'000's
Balance as at 1 April		199,812	190,150
Interest Income		5,586	3,989
Contributions by members		1,156	1,098
Contributions by employer		3,680	3,344
Contributions in respect of unfunded benefits		32	31
Remeasurement gain/(loss)		(29,589)	6,146
Unfunded benefits paid		(32)	(31)
Benefits paid		(5,564)	(4,915)
<b>Balance as at 31 March</b>		<b>175,081</b>	<b>199,812</b>

The actual return on scheme assets in the year was a loss of £24,003,000 (2021/2022- gain of £10,135,000)

Fair Value of Plan Assets	2023	2022
	£'000's	£'000's
Equity investments	70,032	85,719
Government Bonds	36,067	49,354
Corporate Bonds	5,252	4,396
Multi Asset Credit	23,286	26,175
Property	19,609	19,981
Other	9,454	6,194
Cash	11,381	7,993
	<b>175,081</b>	<b>199,812</b>

The above asset values are at bid value as required by IAS 19.

The amounts included in the fair value of plan assets for property occupied by the Council was £0.

The Council's share of the Net Pension Liability (included in the Balance Sheet):

	2023	2022
	£'000's	£'000's
Fair Value of Employer Assets	175,081	199,812
Present value of funded defined benefit obligation	(172,209)	(239,090)
<b>Net asset/(liability) arising from the defined benefit obligation</b>	<b>2,872</b>	<b>(39,278)</b>
<b>Amount in the Balance sheet:</b>		
Liabilities	2,872	(39,278)
Assets	0	0
<b>Net Asset/(Liability)</b>	<b>2,872</b>	<b>(39,278)</b>

**21 d Scheme history**

Analysis of scheme assets and liabilities	2023	2022
	£'000's	£'000's
Fair Value of Assets in pension scheme	175,081	199,812
Present Value of Defined Benefit Obligation	(172,209)	(239,090)
<b>Surplus/(deficit) in the Scheme</b>	<b>2,872</b>	<b>(39,278)</b>

Amount recognised in Other Comprehensive Income and	2023	2022
	£'000's	£'000's
Actuarial gains/(losses)	47,850	24,048
<b>Remeasurements recognised in the Other Comprehensive Income and Expenditure Statement</b>	<b>47,850</b>	<b>24,048</b>

Experience gains and (losses) on assets	(29,589)	6,146
Experience gains and (losses) on liabilities	77,439	17,902

The liabilities show the underlying commitments that the Council has in the long run to pay retirement benefits. Whilst the total liability of £172,209,000 has a substantial impact on the net worth of the Council as recorded in the Balance Sheet, scheme assets exceed that liability resulting in a net long term asset of £2,872,000.

**Analysis of projected amount to be charged to the Comprehensive Income and Expenditure Statement for the year to 31 March 2024**

	2024
	£'000's
Projected current cost	4,263
Net Interest on the net defined benefit liability (asset)	(234)
	<b>4,029</b>

The total contributions expected to be made to the Northern Ireland Local Government Officers' Pension Fund by the Council in the year to 31 March 2024 is £4,029,000.

**History of experience gains and losses**

The actuarial gains identified as movements on the Pensions Reserve 2022/23 can be analysed into the following categories, measured as a percentage of opening assets or liabilities for that year.

	2023	2022
		%
Experience gains and (losses) on Assets	(16.90%)	3.08%
Experience gains and (losses) on Liabilities	(44.97%)	(7.49%)

**21 e Basis for estimating assets and liabilities**

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in the future years dependent on assumptions about mortality rates, salary levels, etc. The Council's Fund liabilities have been assessed by Aon Hewitt Limited, an independent firm of actuaries, estimates for the Council Fund being based on data pertaining to the latest full valuation of the scheme as at 31 March 2020.

**Mortality assumptions:**

Longevity at 65 current pensioners:

Men	22.2 years	21.8 years
Women	25.0 years	25.0 years

**Longevity at 65 for future pensioners (aged 45 at accounting date):**

Men	23.2 years	23.2 years
Women	26.0 years	26.4 years
Inflation/Pension Increase Rate	2.70%	3.10%
Salary Increase Rate	0.00%	4.60%
Pension accounts revaluation rate	2.70%	3.10%
Discount Rate	4.70%	2.80%

**21 f Major categories of plan assets as percentage of total plan assets**

The Northern Ireland Local Government Officers' Pension Fund's assets consist of the following categories, by proportion of the total assets held:

	2023	2022
	%	%
Equity investments	40.00	42.90
Government Bonds	20.60	24.70
Corporate Bonds	3.00	2.20
Property	11.20	10.00
Multi Asset Credit	13.30	13.10
Other	5.40	3.10
Cash	6.50	4.00
	<b>100.00</b>	<b>100.00</b>

**21 g Sensitivity Analysis**

The results of the actuary's report shown above are sensitive to the assumptions used.

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2023 and the projected service cost for the year ending 31 March 2024 is set out below.

In each case, only the assumption mentioned is altered; all other assumptions remain the same and are as summarised in Note 21.e.

On the grounds of materiality no sensitivity analysis has been applied to unfunded benefits.

	Positive Movement	Negative Movement
<b>Adjustment to Discount Rate</b>	<b>0.1% p.a</b>	<b>(0.1%) p.a</b>
Present Value of total obligation £'000's	168,939	174,783
% change in present value of total obligation	(1.7%)	1.7%
Projected Service Cost £'000's	4,118	4,412
Approximate % change in projected service cost	(3.4%)	3.5%
<b>Adjustment to salary increase rate</b>	<b>0.1% p.a</b>	<b>(0.1%) p.a</b>
Present Value of total obligation £'000's	172,377	171,345
% change in present value of total obligation	3.0%	(0.3%)
Projected Service Cost £'000's	4,263	4,263
Approximate % change in projected service cost	0.0%	0.0%
<b>Adjustment to pension increase rate</b>	<b>0.1% p.a</b>	<b>(0.1%) p.a</b>
Present Value of total obligation £'000's	174,267	169,455
% change in present value of total obligation	1.4%	(1.4%)
Projected Service Cost £'000's	4,412	4,118
Approximate % change in projected service cost	3.5%	(3.4%)
<b>Adjustment to mortality age rate increase rate</b>	<b>(1 Year)</b>	<b>1 Year</b>
Present Value of total obligation £'000's	176,501	167,221
% change in present value of total obligation	2.7%	(2.7%)
Projected Service Cost £'000's	4,408	4,114
Approximate % change in projected service cost	3.4%	(3.5%)

**21 h The Northern Ireland Civil Service (NICS) Pension Arrangements**

The Northern Ireland Civil Service Pension arrangements are unfunded multi-employer defined benefit schemes but the Council is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31/03/2021. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DoF Superannuation and Other Allowances Resource Accounts as at 31 March 2021.

Guaranteed Minimum Pension (GMP) is a portion of pension that was accrued by individuals who were contracted out of the state pension prior to 6 April 1997. At present there is an inequality of benefits between male and female members who have GMP. Although the Government intends that GMP should be equalised, at present it is not clear how this equalisation will be implemented. In July 2014 the Government stated an intention to develop fully considered proposals and to publish guidance when this work is completed, but no target date was given. The impact of any liabilities relating to the Council is therefore uncertain and no provision has been made in these financial statements.

During the the year Council made contributions of £255,825 (2021/22- 245,106) to the Northern Ireland Civil Service Pension Scheme (Note 7e refers.)

**22 Donated Assets Account**

22 a	Donated Assets Account	Note	2022/23	2021/22
			£'000's	£'000's
	Opening balance		81	81
	<b>Closing Balance</b>		<b>81</b>	<b>81</b>

**22 b Analysis of Donated Assets Account**

The balance of the Donated Assets Account represents donations received that have yet to be recognised as income, as they have conditions attached to them, which will require the donated assets to be returned, if conditions are not met. The balances at the year end are as follows:

Donated Assets Account	Note	2022/23	2021/22
		£'000's	£'000's
John Onslow Springhall Bequest		81	81
		<b>81</b>	<b>81</b>

Council received a cash bequest to be utilised for operational and/or capital improvements to "Flowerfield Arts Centre".

**23 Capital Grants Received in Advance**

23 a	Capital Grants Received in Advance	Government	Non Government	Total
		£'000's	£'000's	£'000's
	Opening balance at 01 April 2021	88	707	795
	Add: new capital grants received in advance (condition of use not met)	3,872	0	3,872
	Less: amounts released to the Comprehensive Income and Expenditure Statement Capital Grants	10	(56)	(1,134)
	Less: amounts released to the Comprehensive Income and Expenditure Statement Service Grants	(3)	0	(3)
	<b>Closing Balance at 31 March 2022</b>	<b>2,879</b>	<b>651</b>	<b>3,530</b>
	Add: new capital grants received in advance (condition of use not met)	1,986	19	2,005
	Less: amounts released to the Comprehensive Income and Expenditure Statement Capital Grants	10	(7)	(763)
	Less: amounts released to the Comprehensive Income and Expenditure Statement Service Grants	0	0	0
	<b>Closing Balance</b>	<b>4,109</b>	<b>663</b>	<b>4,772</b>

**23 b Analysis of Capital Grants Receipts in Advance Balance**

The balance of Capital Grants Receipts in Advance represents grants received that have yet to be recognised as income, as they have conditions attached to them, which will require the grant to be repaid, if conditions are not met. The balances at the year end are as follows:

Analysis of Capital Grants Receipts in Advance Balance		2022/23	2021/22
		£'000's	£'000's
Portrush Public Realm	Government	155	32
Levelling Up Refund	Government	483	483
Covid Recovery Grant - Small Settlement	Government	2,250	2,250
Portrush Recreation Grounds	Government	1,045	64
Ballymoney Public Realm	Government	32	0
Forest Parks	Government	46	0
Green Spaces	Government	98	0
Grant for Mowers - to be purchased	Government	0	50
Benone Beach	Non Government	33	33
Peace Schemes	Non Government	618	618
		<b>4,760</b>	<b>3,530</b>

**24 Contingencies**

In accordance with the Code (and IAS 37), Councils should disclose by way of note if there is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the authority, or a present obligation that arises from past events but is not recognised because:

- a) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, or
- b) the amount of the obligation cannot be measured with sufficient reliability.

**Landfill Provisions**

Provision has been made in the accounts for landfill closure and aftercare costs based on reports from RPS Consulting Engineers. Until the necessary engineering works begins to close the landfill sites, however, there is uncertainty surrounding the actual final closure and aftercare costs and as a consequence the current landfill closure and aftercare provisions may change.

**Legal Issues**

Whilst Council is involved in various legal cases no provision has been made for future economic outflows that may or may not ensue as a result of litigation. Council has adopted this approach as it considers significant detrimental outflows unlikely and impossible to estimate.

The Council, together with the other 10 district councils in NI, is participating in a legal action against HMRC to recover previously overdeclared output VAT in respect of leisure and recreational income, which arose because HMRC did not accept that the Council provides leisure and recreational activities pursuant to a special legal regime without causing any significant distortion of competition.

Although Mid Ulster District Council (as lead council in the litigation) succeeded in its claim to the First Tier Tax Tribunal, HMRC subsequently, pursuant to Rule 39 of the Tribunal Procedure (First Tier Tribunal) (Tax Chamber) Rules 2009, lodged an application to appeal to the Upper Tier Tax Tribunal. The application to lodge an appeal was successful and the appeal was heard by the Upper Tier Tribunal in May 2022. The Upper Tier Tax Tribunal released its decision on 19 July 2022; the decision was to allow the appeal and remit the matter back to the First Tier Tax Tribunal for consideration.

Mid Ulster District Council subsequently sought and received permission to appeal the Upper Tier Tax Tribunal decision to the Court of Appeal and a Hearing was scheduled to take place in May 2023. On 26 January 2023, HMRC notified Mid Ulster District Council that it decided to pay all of the Local Authority Leisure Service claims and proceeded to publish an associated Revenue and Customs Brief on 3 March 2023. Mid Ulster District Council's appeal to the Court of Appeal is currently stayed until 15 September 2023 to allow both parties to time to seek a resolution of the matter.

If resolution is reached, it will take time to conclude the matter; alternatively, if there is no resolution, Mid Ulster District Council shall make application for its appeal to be re-listed for mention. In either case, at this stage, it's too early to access any associated financial impact, but if the matter is resolved to the Mid Ulster District Council's satisfaction, the benefit to the Council could approximate to £11.43 million.

**25 Notes to the cash flow statement****25 a Analysis of Adjustments to Surplus/Deficit on the Provision of Services**

Adjustment to surplus or deficit on the provision of services for noncash	Notes	2022/23 £'000's	2021/22 £'000's
Depreciation & Amortisation of non-current assets	11a / 11b	9,085	8,823
Impairment & downward revaluations (& non-sale derecognitions) of non-	11d	(729)	(119)
(Increase)/Decrease in Stock	14	8	(6)
(Increase)/Decrease in Debtors	12	1,985	(263)
Increase/(Decrease) in Creditors	18a	3,241	271
Increase/(Decrease) in Interest Creditors/Debtors	18a	(33)	(34)
Pension fund adjustments	21b	5,700	6,423
Carrying amount of non-current assets sold	11e	3	38
WIP written off to Net Cost of Services	11a	27	366
Contributions to Other Reserves/Provisions	19a / 19b	(2,903)	(590)
(Increase)/Decrease in Fair Value of Investment Property	9	(55)	(870)
<b>Total Adjustments for Non Cash Movements</b>		<b>16,329</b>	<b>14,039</b>

25 b	Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	Notes	2022/23 £'000's	2021/22 £'000's
	Proceeds from the sale of PP&E, investment property and intangible		(106)	(250)
	Capital grants included in "Taxation & non-specific grant income"	2a,2b,2c,23a	(763)	(1,133)
	<b>Total Investing and Financing Adjustments</b>		<b>(869)</b>	<b>(1,383)</b>

### 25 c Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and in bank and short term deposits and investments (considered to be cash equivalents), net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the Balance Sheet as follows:

	2022/23 £'000's	2021/22 £'000's
Cash and Bank balances	18,657	5,429
Short Term Deposits (considered to be Cash Equivalents)	526	13,011
<b>Total Cash and Cash Equivalents</b>	<b>19,183</b>	<b>18,440</b>

25 d	Cash Flow Statement-Operating Activities	2022/23 £'000's	2021/22 £'000's
	The cash flows from operating activities include:	£'000's	£'000's
	Interest received	151	88
	Interest paid	2,505	2,721

25 e	Cash flows from Investing Activities	2022/23 £'000's	2021/22 £'000's
	Purchase of PP&E, investment property and intangible assets	(8,531)	(4,127)
	Opening Capital Creditors	(18)	(18)
	Closing Capital Creditors	298	18
	Proceeds from the sale of PP&E, investment property and intangible assets	106	250
	Capital grants & contributions included in Taxation & non specific grant income	763	1,133
	Opening Capital Grant Debtors	618	782
	Closing Capital Grant Debtors	(618)	(618)
	Movement in Grants received in advance	1,242	2,735
	<b>Net Cash flows from Investing Activities</b>	<b>(6,140)</b>	<b>155</b>

25 f	Cash flows from Financing Activities	2022/23 £'000's	2021/22 £'000's
	Repayment of Short and Long Term Borrowing	(4,869)	(5,331)
	<b>Net Cash flows from Financing Activities</b>	<b>(4,869)</b>	<b>(5,331)</b>

**26 Usable Reserves****26 Capital Receipts Reserve**

These are capital receipts which have originated primarily from the sale of assets which have not yet been used to finance capital expenditure.

The Capital Receipts Reserve is credited with the proceeds from fixed asset sales and other monies defined by statute as capital receipts. These are originally credited to the Comprehensive Income and Expenditure Statement as part of the gain/loss on disposal and posted out via the Movement in Reserves Statement to the Capital Receipts Reserve. The reserve is written down when resources are applied to finance new capital expenditure or set aside to reduce the Council's capital financing requirement (or used for other purposes permitted by statute).

Capital Receipts Reserve	Notes	2022/23	2021/22
		£'000's	£'000's
<b>Movement</b>			
Proceeds of sale		106	250
Capital Receipts used to finance capital expenditure		(106)	(250)
Net Movement		0	0
<b>At 31 March</b>		<b>0</b>	<b>0</b>

**27 Significant Trading Operations**

The council considers its only significant trading operations to be the provision of car parking and camping and caravanning facilities

Significant Trading Operations	2022/23	2022/23	2021/22	2021/22
	£'000's	£'000's	£'000's	£'000's
	Turnover	Profit/(Loss)	Turnover	Profit/(Loss)
Car Parking Facilities	1,756	1,018	1,621	778
Camping and Caravanning Facilities	3,685	1,272	3,892	1,813
<b>Totals</b>	<b>5,441</b>	<b>2,290</b>	<b>5,513</b>	<b>2,591</b>

Car Parking forms an integral part of Environmental Services - Infrastructure Appendix 1.

Camping and caravanning facilities form an integral part of Tourism within the Leisure and Recreation segment as disclosed under Appendix 1.

**28 Agency Services**

The Council acts as a Lead Partner for various schemes, projects or Committees. The common characteristic of these projects or Committees is that Council finances the project expenditure and is subsequently reimbursed. The following represents expenditure paid by Council (and hence income receivable) for the current and previous financial years together with amounts outstanding and included within short term debtors - Note 12b.

As a consequence of the relationship described above these financial statements only include that expenditure which relates to Council's share of costs associated with the project or Committee. In the case of fully funded projects no income or expenditure is recognised in these financial statements.

	2022/23	2022/23	2022/23	2021/22	2021/22	2021/22	as restated
	Income / Expenditure	Year end Debtors / (Creditors)	Council's share of costs	Income / Expenditure	Year end Debtors / (Creditors)	Council's share of costs	as restated
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Peace IV	0	1,208	0	65	1,459	0	
Peace Plus	66	83	0	17	17	0	
Rural Development Programme	15	0	0	110	72	0	
<b>Totals</b>	<b>81</b>	<b>1,291</b>	<b>0</b>	<b>192</b>	<b>1,548</b>	<b>0</b>	

Restatement of comparatives distinguishes between the Former Peace IV scheme and the Peace Plus Scheme.

Council acted as Lead in programmes or Joint Committees, administering £161,332 of funds at a total cost to Council of £0.

**29 Related Party Transactions**

A Related Party transaction is a transfer of resources or obligations between related parties, regardless of whether a price is charged. Related Party transaction exclude transactions with any other entity that is a related party solely because of its economic dependence on the Council or the Government of which it forms part. A related party is one that has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes cases where the related party entity and another entity are subject to common control but excludes providers of finance in the course of their normal business with the Council and Trade Unions in the course of their normal dealings with the Council. In addition where the relationship with the Council and the entity is solely that of an Agency these are not deemed to be Related Party transactions - Note 27 refers.

Transactions with related parties not disclosed elsewhere in these financial statements are set out below (detailing the name of the body and the amount of the transaction [if any]). Note that related party relationships where control exists are disclosed irrespective of whether there have been transactions between the related parties.

**29 a Community Group payments greater than £5,000.**

Council paid a total of £1,186,365 (2022 - £1,261,615) in grants to 245 (2022 - 188) community associations. Only 34 (2022 - 40) of these organisations received amounts of £5,000 or more, those with Elected Member involvement are detailed are as follows:

Name of Body	2022/23	2021/22	2022/23	2021/22
	No. of Elected Members	No. of Elected Members	£	£
Community Advice Causeway	2	2	347,993	411,840
Portstewart Community Association	3	Nil	5,646	5,766
Causeway Coast & Glens Heritage Trust	4	4	28,642	42,000
Garvagh Museum	1	1	5,000	8,750

- 29 b Community Group payments less than £5,000 but including Council representation**  
Council paid grants of under £5,000 to 14 community groups. These grants in total cost £25,168.

**29 c Group or Joint Committees payments where Council is a member**

		2022/23	2021/22
Name of Body	Lead Council	£	£
NI Local Government Association		61,835	51,815
National Association of Councillors		3,200	3,200
North West Regional Waste Management Group	Derry City and Strabane	70,391	75,706
Office for Product Safety and Standards grant scheme	Causeway Coast & Glens	308,972	223,289

**29 d Payments to Other Councils**

		2022/23	2021/22
Name of Council		£	£
Antrim and Newtownabbey Borough Council		41,307	48,815
Belfast City Council		39,396	89,244
Derry City & Strabane District Council		169,323	153,708
Fermanagh & Omagh District Council		28,527	24,780
Mid & East Antrim Borough Council		52,734	49,665
Mid-Ulster District Council		66,594	27,464
Ards and North Down		26,164	28,109
Armagh, Banbridge and Craigavon		32,063	24,675
Lisburn and Castlereagh		102,358	102,230
Newry Mourne and Down District Council		43,974	28,258

The figure of £169,323 to Derry City & Strabane District Council includes £64,146 paid in relation to the North West Regional Waste Management Group - Note 29c refers.

The total of £602,440 paid to Councils includes the figure of £308,972 which has been paid to all ten Council listed via the OPSS Grant Scheme administered by Causeway Coast and Glens Borough Council on behalf of DAERA - Note 29c refers.

**29 e Department for Communities**

Council receives annual grants from the Department of Communities. During 2022/23 it received £3,367,183 (2021/22-£5,903,046) Note 10 refers.

**29 f Causeway Coast and Glens Policing and Community Safety Partnership**

Council is represented by 10 Councillors on the Causeway Coast and Glens Policing and Community Safety Partnership, one of which acts as Chairperson. During 2022/23 council made net contributions of £87,465 (2021/22 £79,066) to the running costs of the partnership. Council provides legal, financial and personnel services to the Partnership for which it received £377,842 in 2022/23 (2021/22 £385,167).

**29 g Employee Car Loans**

Council makes car loans available to employees who are designated essential car users i.e. for whom it is essential to have access to a car to carry out their duties.

The total amount outstanding in respect of car loans to designated employees at 31st March 2023 was £65,285 (at 31st March 2022 - £83,756).

**Events after the Reporting Period**

There were no events occurring after 31st March 2023 which require adjustment to the Council's financial statements or additional disclosures.

**The Chief Financial Officer authorised these financial statements for issue on 25th September 2023.**

**NON AUDITED APPENDIX**

1 The purpose of this appendix is to provide additional analysis of the income & expenditures for each of the Council's Reporting Committees as reported in monthly Management accounts. Annual Accounting Adjustments do not form part of Management accounts & are therefore separately disclosed in this appendix to reconcile Management accounts to the annual financial statements.

**1 a Detailed Income & Expenditure Analysis for the year ended 31 March 2023 - Leisure & Development**

Service Heading	Management Accounts			Annual Adjustments							Financial Statements 2022/23			
	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's	Impairment Reversal, Capital							Gross Expenditure per CIES £'000's	Gross Income per CIES £'000's	Net Expenditure per CIES £'000's	
				Capital	Pension	Accumulated Absences	Expenditure Adjustments	Total Gross Grants & Profit on sale of Fixed Assets		Net Adjustments				
								£'000's	£'000's					£'000's
Community & Culture Prosperity & Place	2,937	1,381	1,556	182	235	5	422	0	422	0	422	3,359	1,381	1,978
Leisure & Development Management	2,228	1,059	1,169	134	110	11	255	0	255	0	255	2,483	1,059	1,424
Sport & Wellbeing	554	0	554	0	95	22	117	0	117	0	117	671	0	671
Tourism & Recreation	8,824	2,934	5,890	3,115	671	(142)	3644	385	3259	12,468	3,319	12,468	3,319	9,149
Funding Unit	5,759	3,886	1,873	1,277	230	11	1518	50	1468	7,277	3,936	7,277	3,936	3,341
Strategic Projects	254	5	249	60	45	5	110	0	110	364	5	364	5	359
Leisure & Development	173	0	173	0	0	0	0	0	0	173	0	173	0	173
	<b>20,729</b>	<b>9,265</b>	<b>11,464</b>	<b>4,768</b>	<b>1,386</b>	<b>(88)</b>	<b>6,066</b>	<b>435</b>	<b>5,631</b>	<b>26,795</b>	<b>9,700</b>	<b>26,795</b>	<b>9,700</b>	<b>17,095</b>

**1 b Detailed Income & Expenditure Analysis for the year ended 31 March 2023 - Environmental Services**

Service Heading	Management Accounts			Annual Adjustments							Financial Statements 2022/23			
	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's	Impairment Reversal, Capital							Gross Expenditure per CIES £'000's	Gross Income per CIES £'000's	Net Expenditure per CIES £'000's	
				Capital	Pension	Accumulated Absences	Expenditure Adjustments	Total Gross Grants & Profit on sale of Fixed Assets		Net Adjustments				
								£'000's	£'000's					£'000's
Estates	4,403	350	4,053	704	382	(48)	1038	145	893	5,441	495	5,441	495	4,946
Health & Build Environment	3,985	1,747	2,238	25	491	50	566	0	566	4,551	1,747	4,551	1,747	2,804
Infrastructure	1,669	2,247	(578)	1,335	87	8	1430	65	1365	3,099	2,312	3,099	2,312	787
Operations	20,708	5,127	15,581	1,601	905	(211)	2295	70	2225	23,003	5,197	23,003	5,197	17,806
Environmental Services Business Support	630	0	630	0	122	7	129	0	129	759	0	759	0	759
Environmental Services Central Management	141	0	141	0	23	19	42	0	42	183	0	183	0	183
Environmental Services	<b>31,536</b>	<b>9,471</b>	<b>22,065</b>	<b>3,665</b>	<b>2,010</b>	<b>(175)</b>	<b>5,500</b>	<b>280</b>	<b>5,220</b>	<b>37,036</b>	<b>9,751</b>	<b>37,036</b>	<b>9,751</b>	<b>27,285</b>

## 1 c Detailed Income &amp; Expenditure Analysis for the year ended 31 March 2023 - Corporate Policy &amp; Resources

Service Heading	Management Accounts			Annual Adjustments						Financial Statements 2022/23		
	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's	Capital £'000's	Pension £'000's	Accumulated Absences £'000's	Total Gross Expenditure Adjustments £'000's	Impairment Reversal, Capital Grants & Profit on sale of Fixed Assets £'000's	Net Adjustments £'000's	Gross Expenditure per CIES £'000's	Gross Income per CIES £'000's	Net Expenditure per CIES £'000's
Democratic & Registration	1,686	324	1,362	10	248	8	266	0	266	1,952	324	1,628
Corporate Support Services	3,620	55	3,565	236	445	122	803	0	803	4,423	55	4,368
* Performance	2,172	53	2,119	462	151	7	620	30	590	2,792	83	2,709
* Financial Services	1,639	(2)	1,641	0	187	38	225	0	225	1,864	(2)	1,866
* Legal Services	180	0	180	0	8	1	9	0	9	189	0	189
<b>Corporate Policy &amp; Resources</b>	<b>9,297</b>	<b>430</b>	<b>8,867</b>	<b>708</b>	<b>1,039</b>	<b>176</b>	<b>1,923</b>	<b>30</b>	<b>1,893</b>	<b>11,220</b>	<b>460</b>	<b>10,760</b>

\* These departments report directly to the Chief Executive and separately report to the Corporate Policy and Resources Committee - the remaining departments channel their reports via the director of corporate services.

## 1 d Detailed Income &amp; Expenditure Analysis for the year ended 31 March 2023 - Planning &amp; Non Service Items

Service Heading	Management Accounts			Annual Adjustments						Financial Statements 2022/23		
	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's	Capital £'000's	Pension £'000's	Accumulated Absences £'000's	Total Gross Expenditure Adjustments £'000's	Impairment Reversal, Capital Grants & Profit on sale of Fixed Assets £'000's	Net Adjustments £'000's	Gross Expenditure per CIES £'000's	Gross Income per CIES £'000's	Net Expenditure per CIES £'000's
<b>Planning</b>	<b>2,696</b>	<b>1,395</b>	<b>1,301</b>	<b>17</b>	<b>217</b>	<b>120</b>	<b>354</b>	<b>0</b>	<b>354</b>	<b>3,050</b>	<b>1,395</b>	<b>1,655</b>
<b>Service Totals</b>	<b>64,258</b>	<b>20,561</b>	<b>43,697</b>	<b>9,158</b>	<b>4,652</b>	<b>33</b>	<b>13,843</b>	<b>745</b>	<b>13,098</b>	<b>78,101</b>	<b>21,306</b>	<b>56,795</b>
<b>Other Operating Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>103</b>	<b>(103)</b>	<b>0</b>	<b>103</b>	<b>(103)</b>
<b>Financing &amp; Investment Income &amp; Expenditure</b>	<b>2,530</b>	<b>798</b>	<b>1,732</b>	<b>3</b>	<b>1,048</b>	<b>0</b>	<b>1,051</b>	<b>55</b>	<b>996</b>	<b>3,581</b>	<b>853</b>	<b>2,728</b>
<b>Taxation &amp; Non-Specific Grant Income</b>	<b>0</b>	<b>54,949</b>	<b>(54,949)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>763</b>	<b>(763)</b>	<b>0</b>	<b>55,712</b>	<b>(55,712)</b>
<b>Surplus on the provision of services</b>	<b>66,788</b>	<b>76,308</b>	<b>(9,520)</b>	<b>9,161</b>	<b>5,700</b>	<b>33</b>	<b>14,894</b>	<b>1,666</b>	<b>13,228</b>	<b>81,682</b>	<b>77,974</b>	<b>3,708</b>
<b>Minimum Revenue Provision reported to Management</b>			<b>7,139</b>									
<b>Surplus that should be reported to Management</b>			<b>(2,381)</b>									
<b>Landfill Discount Factors not reported to Management</b>			<b>(2,964)</b>									
			<b>(5,345)</b>									
<b>Management Account Adjustments</b>												
Annual Adjustments		13,228										
MRP already reported		<u>(7,139)</u>										
Adjustments not reported via Management Accounts			6,089									
Other Adjustments			<u>2,964</u>									
<b>Total Adjustments from Management Accounts</b>			<b>9,053</b>									
<b>Deficit per CIES on the provision of services</b>			<b>3,708</b>									

## 1 e Detailed Income &amp; Expenditure Analysis for the year ended 31 March 2022 - Leisure &amp; Development

Service Heading	Management Accounts			Annual Adjustments						Financial Statements 2021/22			
	Gross Expenditure	Gross Income	Net Expenditure	Capital	Pension	Accumulated Absences	Total Gross Expenditure Adjustments	Impairment Reversal, Capital Grants & Profit on sale of Fixed Assets		Net Adjustments	Gross Expenditure per CIES	Gross Income per CIES	Net Expenditure per CIES
								Assets	Adjustments				
£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Community & Culture	2,921	1,590	1,331	180	230	3	413	0	413	3,334	1,590	1,744	
Prosperity & Place	3,332	2,192	1,140	206	116	(8)	314	0	314	3,646	2,192	1,454	
Leisure & Development Management	621	171	450	0	106	(7)	99	0	99	720	171	549	
Sport & Wellbeing	6,728	2,122	4,603	3,209	761	138	4108	180	3928	10,836	2,302	8,534	
Tourism & Recreation	4,833	4,360	474	1,187	292	2	1481	0	1481	6,314	4,360	1,954	
Funding Unit	208	10	200	169	48	0	217	0	217	425	10	415	
Strategic Projects	119	0	119	0	0	0	0	0	0	119	0	119	
<b>Leisure &amp; Development</b>	<b>18,762</b>	<b>10,445</b>	<b>8,317</b>	<b>4,951</b>	<b>1,553</b>	<b>128</b>	<b>6,632</b>	<b>180</b>	<b>6,452</b>	<b>25,394</b>	<b>10,625</b>	<b>14,769</b>	

## 1 f Detailed Income &amp; Expenditure Analysis for the year ended 31 March 2022 - Environmental Services

Service Heading	Management Accounts			Annual Adjustments						Financial Statements 2021/22			
	Gross Expenditure	Gross Income	Net Expenditure	Capital	Pension	Accumulated Absences	Total Gross Expenditure Adjustments	Impairment Reversal, Capital Grants & Profit on sale of Fixed Assets		Net Adjustments	Gross Expenditure per CIES	Gross Income per CIES	Net Expenditure per CIES
								Assets	Adjustments				
£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Estates	3,765	277	3,488	717	433	53	1203	112	1,091	4,968	389	4,579	
Health & Build Environment	3,745	1,932	1,813	23	557	(18)	562	0	562	4,307	1,932	2,375	
Infrastructure	1,754	2,089	(335)	1,156	99	(5)	1,250	(8)	1,258	3,004	2,081	923	
Operations	21,748	4,606	17,142	1,800	1,108	217	3125	14	3,111	24,873	4,620	20,253	
Environmental Services Business Support	572	0	572	0	125	(4)	121	0	121	693	0	693	
Environmental Services Central Management	409	222	187	0	28	(6)	22	0	22	431	222	209	
<b>Environmental Services</b>	<b>31,993</b>	<b>9,126</b>	<b>22,867</b>	<b>3,696</b>	<b>2,350</b>	<b>237</b>	<b>6,283</b>	<b>118</b>	<b>6,165</b>	<b>38,276</b>	<b>9,244</b>	<b>29,032</b>	

## 1 g Detailed Income &amp; Expenditure Analysis for the year ended 31 March 2022 - Corporate Policy &amp; Resources

Service Heading	Management Accounts			Annual Adjustments						Financial Statements 2021/22		
	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's	Capital £'000's	Pension £'000's	Accumulated Absences £'000's	Total Gross Expenditure Adjustments £'000's	Impairment Reversal, Capital Grants & Profit on sale of Fixed Assets £'000's	Net Adjustments £'000's	Gross Expenditure per CIES £'000's	Gross Income per CIES £'000's	Net Expenditure per CIES £'000's
Democratic & Registration	1,678	278	1,400	10	285	(5)	290	0	290	1,968	278	1,690
Corporate Support Services	3,164	34	3,130	135	466	(45)	556	0	556	3,720	34	3,686
Performance	1,964	39	1,925	446	165	1	612	0	612	2,576	39	2,537
Financial Services	1,585	4	1,581	0	233	(25)	208	0	208	1,793	4	1,789
Legal Services	287	0	287	0	7	0	7	0	7	294	0	294
<b>Corporate Policy &amp; Resources</b>	<b>8,678</b>	<b>355</b>	<b>8,323</b>	<b>591</b>	<b>1,156</b>	<b>(74)</b>	<b>1,673</b>	<b>0</b>	<b>1,673</b>	<b>10,351</b>	<b>355</b>	<b>9,996</b>

These departments report directly to the Chief Executive and separately report to the Corporate Policy and Resources Committee - the remaining departments channel their reports via the director of corporate services.

## 1 h Detailed Income &amp; Expenditure Analysis for the year ended 31 March 2022 - Planning &amp; Non Service Items

Service Heading	Management Accounts			Annual Adjustments						Financial Statements 2021/22		
	Gross Expenditure £'000's	Gross Income £'000's	Net Expenditure £'000's	Capital £'000's	Pension £'000's	Accumulated Absences £'000's	Total Gross Expenditure Adjustments £'000's	Impairment Reversal, Capital Grants & Profit on sale of Fixed Assets £'000's	Net Adjustments £'000's	Gross Expenditure per CIES £'000's	Gross Income per CIES £'000's	Net Expenditure per CIES £'000's
<b>Planning</b>	<b>2,321</b>	<b>1,391</b>	<b>930</b>	<b>17</b>	<b>205</b>	<b>8</b>	<b>230</b>	<b>0</b>	<b>230</b>	<b>2,551</b>	<b>1,391</b>	<b>1,160</b>
<b>Service Totals</b>	<b>61,754</b>	<b>21,317</b>	<b>40,437</b>	<b>9,255</b>	<b>5,264</b>	<b>299</b>	<b>14,818</b>	<b>298</b>	<b>14,520</b>	<b>76,572</b>	<b>21,615</b>	<b>54,957</b>
Other Operating Expenditure	0	0	0	0	0	0	0	211	(211)	0	211	(211)
Financing & Investment Income & Expenditure	2,727	701	2,026	3	1,159	0	1162	870	292	3,889	1,571	2,318
Taxation & Non-Specific Grant Income	0	55,710	(55,710)	0	0	0	0	1,133	(1,133)	0	56,843	(56,843)
<b>(Surplus) / Deficit on the Provision of Services</b>	<b>64,481</b>	<b>77,728</b>	<b>(13,247)</b>	<b>9,258</b>	<b>6,423</b>	<b>299</b>	<b>15,980</b>	<b>2,512</b>	<b>13,468</b>	<b>80,461</b>	<b>80,240</b>	<b>221</b>
MRP & sinking fund movement reported to Management			6,835									
Deficit that should be reported to Management			(6,412)									
Landfill Discount Factors Not Reported to Management			(890)									
			<b>(7,302)</b>									
<b>Management Account Adjustments</b>												
Annual Adjustments		13,468										
MRP already reported		(6,835)										
Adjustments not reported via Management Accounts			6,633									
Other adjustments			890									
<b>Total Adjustments from Management Accounts</b>			<b>7,523</b>									
<b>Deficit per CIES on the provision of services</b>			<b>221</b>									