



Statement of Accounts 2022/2023

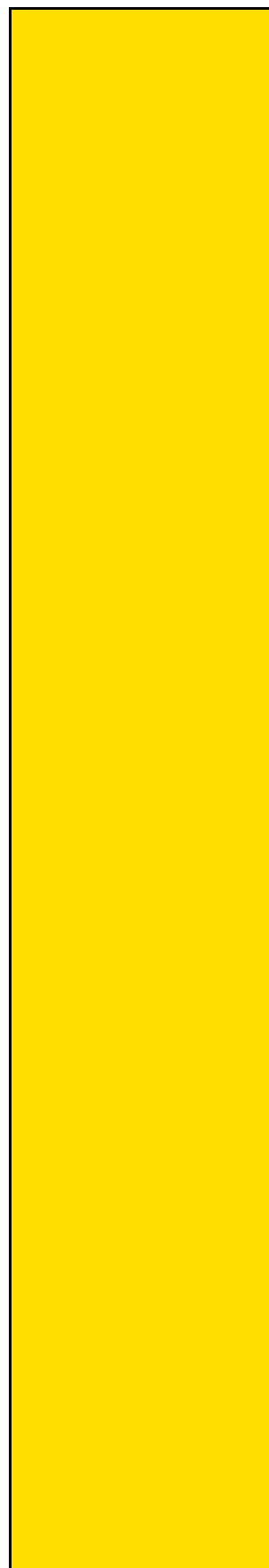


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Introduction by Executive Director of Finance

I am pleased to introduce our financial accounts for 2022/23. The purpose of these accounts is to present a true and fair view of the financial results of our activities for the year and the value of our assets and liabilities at the end of the year. The Statement of Accounts have been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the United Kingdom. The Statement of Accounts play a vital role in providing Bury residents, Council Members and other interested parties with an understanding of the Council's financial position, providing assurance that public resources have been used and accounted for in an appropriate manner.

It aims to ensure the readers of the Statement of Accounts can:

- Understand the overarching financial position of the Council and the 2022/23 financial outturn;
- Have confidence that public money with which the Council has been entrusted has been used and accounted for appropriately, and;
- Be assured of the robustness of the council's financial standing.

The Council's Statement of Accounts is presented as simply and clearly as possible. However, the accounts for such a large and diverse organisation are by their nature both technical and complex. To assist in this, a narrative report has been produced.

Sam Evans
Executive Director of Finance and S151 Officer

Certificate of the Statement of Accounts

I certify that the Statement of Accounts presents a true and fair view of the financial position of Bury Council at 31 March 2023, and its income and expenditure for the year ended 31 March 2023.

Sam Evans
Executive Director of Finance and S151 Officer
31 May 2023

Narrative report

The Narrative Report provides information on the authority, its main objectives and strategies and the principal risks that it faces, as well as providing a commentary on how the authority has used its resources to achieve its desired outcomes in line with its objectives and strategies throughout 2022/23.

The operating environment throughout 2022/23 has been one of change from the previous years and has moved from supporting residents and business through the pandemic to one of recovery out of the pandemic.

Like many other authorities across the country the Council faces significant financial challenges whilst operating in an environment that is uncertain and volatile. Despite this the Council recognises the need to transform itself and ensure it is a sustainable organisation fit for the future. The Council's Medium Term Financial Strategy has been updated to reflect the Council's priorities and to take account of the financial challenges, opportunities and risks both now and in the future.

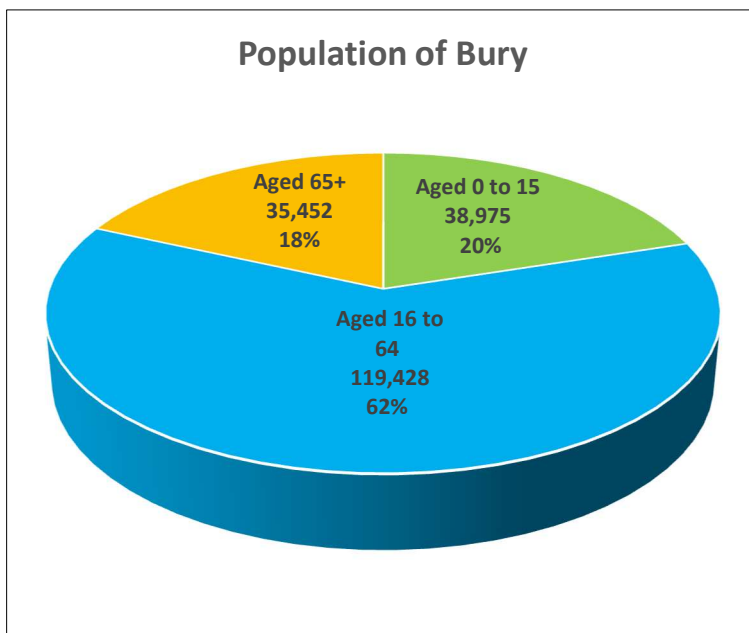
Introduction to Bury

Bury Council is one of ten local authorities in the Greater Manchester region. Bury is a place of independent shops, regeneration, thriving businesses and strong communities making it a place where people want to live, work and spend their leisure time.

Key Facts

Population

The Office for National Statistics (ONS) 2021 mid-year population estimate report Bury's total population as 193,855. The age profile of the population is shown below.



The working age population (age 16 to 64) as a proportion of the population is slightly lower than the regional and national averages, whilst those over 65 also represent a lower percentage of the population than regional and national averages. Over 85's represent 2.3% of the population compared to 2.5% nationally. Under 16s are higher than regional and national averages.

The population is expected to increase to 207,091 by 2043. There is expected to be a high increase in those residents aged 80 and over from 8,800 in 2018 to 14,935 in 2043, with resulting increases in demand for health and social care services.

About the Council

Workforce

The Council's Executive Team provides leadership to the Council and supports the work of Councillors. In March a new Chief Executive and NHS GM Place Based Lead took up post following the retirement of the previous post holder. The Chief Executive was supported by a Deputy Chief Executive and 5 Executive Directors – One Commissioning Organisation, Children and Young People, Operations, Business, Growth and Infrastructure and the Executive Director of Finance. The Council's Chief Executive, Executive Director of Finance and Executive Director of the One Commissioning Organisation support the Council and NHS and are employed in the capacity of joint roles.

In carrying out their roles, the Executive Team support the Council in:

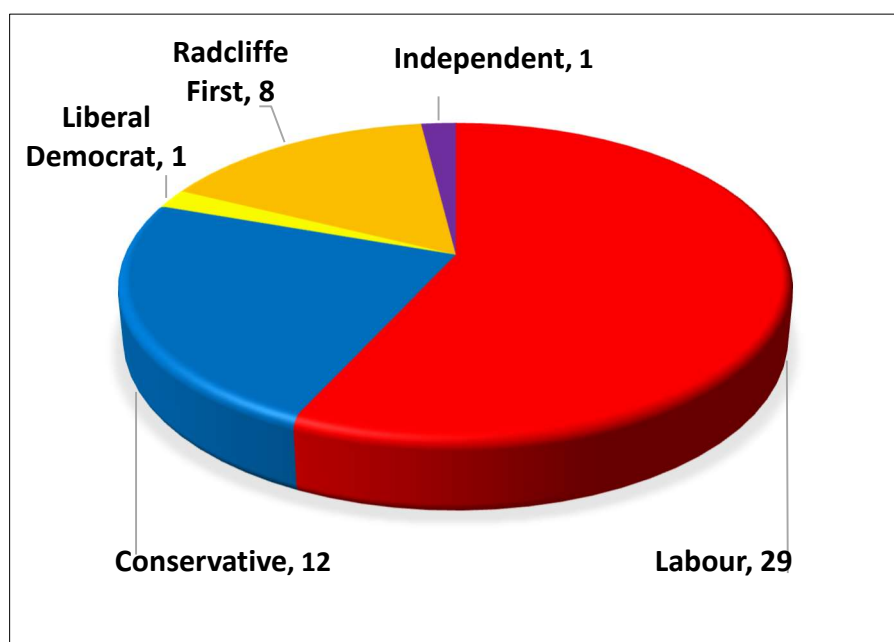
- Developing the Council's strategies
- Identifying and planning resources
- Delivering Council plans
- Reviewing the Council's performance and effectiveness in delivering services to residents across the borough

Council Employees

At the start of the 2022/23 financial year, the Council, excluding staff directly employed by schools and casuals, employed 1,959 full time equivalents. This figure has remained broadly consistent throughout the year, with 1,956 full time equivalents employed at the end of the financial year. Beyond this headline stability a significant amount of organisational change activity has been undertaken during the year and which will continue in 2023/24. Investing in and engaging with our staff, and ensuring they have the right skills and knowledge to support effective and efficient delivery is a priority and will continue to be so as the Council continues to transform in 2023/24 and future years. At the core of this will be embedding a new set of organisational values and behaviours aligned to the LET'S Do It! Strategy agreed last year. The Council aims to build a resilient and flexible workforce that is able to deliver the Council's plans and meet the changing needs of the organisation. The Council aims to have the right people, with the right skills and the right tools in place to do their job across the whole of the Council.

Political structure

Bury is made up of 17 wards with 3 Councillors representing each ward giving an overall total of 51 members. During 2022/23 the political make-up of the Council was:



The Cabinet

The Cabinet is the main decision making body of the Council and is responsible for the strategic management of Council services. The Council in 2022/23 consisted of a Leader and 8 Cabinet Member Councillors each of whom held a Cabinet Member portfolio.

These were as follows:

- Strategic Growth and Skills
- Adult Care, Health, and Wellbeing
- Children and Young People
- Finance and Communities
- Culture and the Economy
- Environment, Climate Change and Operations
- Corporate Affairs and HR
- Housing Services

Cabinet members are also held to account through Overview and Scrutiny Committees. Approval for the creation of a new Overview and Scrutiny Committee focussed on Children's Services was also approved during the year and was operational in 2022/23.

Council Plan

The Bury Corporate Plan 2022/23 set out delivery priorities and performance measures guided the work over the last 12 months. This plan described how the Council and NHS would deliver its contribution to the Let's Do It! Strategy to support the Borough of Bury as it recovers from the local impact of the COVID-19 pandemic.

In 2020 Bury Council and CCG led the development of the **Let's do it!** Strategy for the Borough of Bury, which set out the vision for the next ten years. In 2021 a corporate strategic planning process was established, which provided an annual, integrated strategic plan for the Council and CCG partnership to guide the partnership's delivery against the Let's do it! vision.

The plan:

- Set out the context for 2022 strategic delivery, including progress made over the last 12 months and the corporate challenges in the year ahead;
- Proposed strategic priorities for the year ahead within the "Response; Recover;Renewal" Framework and departmental delivery plans against this;
- Provided an overview of the approach to delivery, with a focus this year on strengthening the "basics" through the agreed transformation strategy; strategic finance; organisation development and driving inclusion; and
- Introduced the partnership including the operational "business as usual" and key performance indicators.

The priorities in this plan were developed through:

- Feedback from residents through Community Hubs and our Elected Members;
- The Let's do it! Action plan, which is being updated in parallel by "Team Bury"partners for the year ahead;
- Feedback from external reviews into our services including OFSTED and the Corporate and Children's LGA Peer reviews; and
- Insight from wider governance including performance data, the Medium-Term Financial Strategy and corporate risk registers.

Delivery of this plan will be achieved through the work of our staff and leadership of Elected Members and the NHS partners:

- Every member of staff will have an annual performance and development plan to support these corporate priorities as well as their operational role; and
- Council Cabinet Members have complementary work plans which reflect the milestones in this plan for their portfolio.

Performance was tracked through:

- Monthly highlight reports of delivery against the plans, discussed at the Executive Team and Cabinet Member portfolio meetings; and
- Quarterly performance reports were formally presented to the Council's Cabinet and CCG Governing Body.

The Council and CCG has worked tirelessly to protect residents from the impacts of COVID-19. As a category one emergency responder, our work has fulfilled the national requirements, supported the Greater Manchester Emergency Response programme and also continued to deliver other priorities within ***Let's Do It!***

To deliver the emergency response, the Council developed a planning approach called the '3Rs'. This set out 15 priorities across three strategic themes: response, recovery and renewal.

Response – fulfilling the Council's role as a category one emergency responder and the CCG's leadership in the role in the health system:

- The Local Outbreak Plan was maintained which included delivery of public health advice, humanitarian aid, mass testing centres and rolled out mass vaccination.
- The impacts of COVID-19 on children and young people were mitigated by continued support and leadership for children in need of help and protection. This saw an increase in the percentage of 2-year-olds accessing funded childcare (86%) to help narrow the gap in educational attainment.
- The 'For Each Other' campaign was delivered, including the £250,000 community recovery 'Pitch' participatory budget scheme.
- Support was provided to our businesses and £7,060,817 has been allocated through additional restriction grants (ARG) since December 2020.

Recovery – leading the civil contingencies recovery phase to restore the social, health and economic impacts of COVID-19:

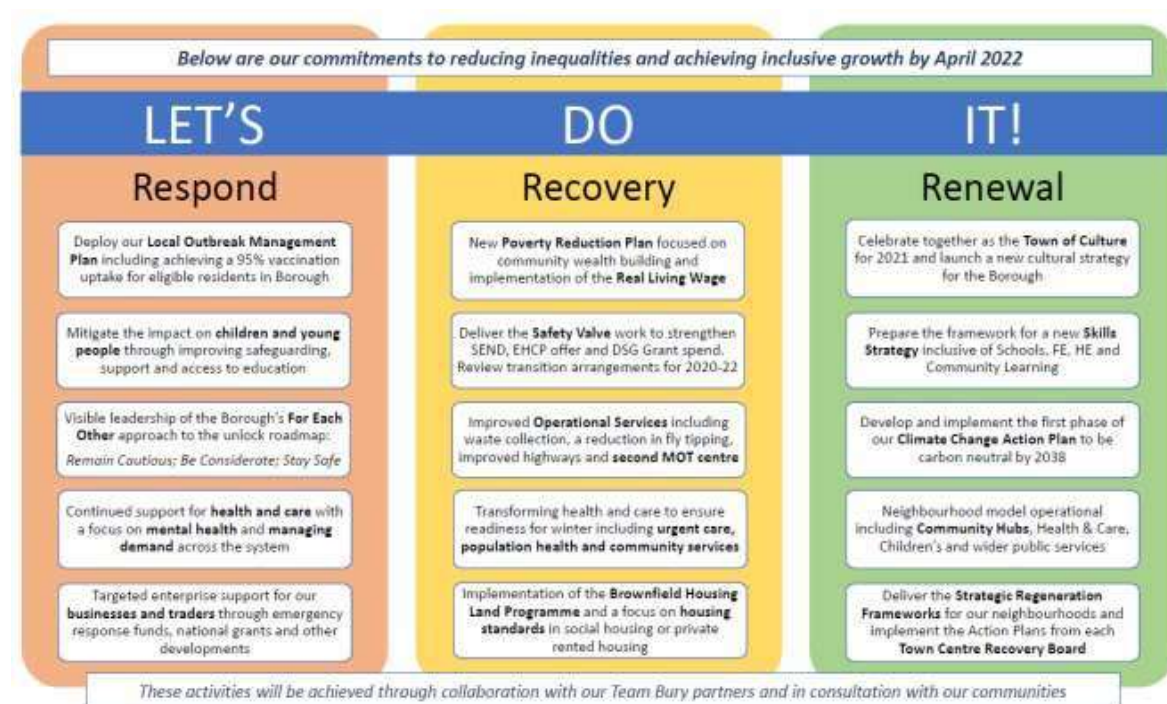
- A total of £1,500,000 in additional financial support was provided, through distribution of national grants and maintenance of free school meals, to prevent and mitigate the hardship impacts of COVID-19.
- Over £700,000 of funding for community recovery and health improvement was administered through a community-led, participatory model in every neighbourhood.
- Bury Council was accredited as a Real Living Wage employer and became a Member of the Greater Manchester Good Employment Standard network, which has improved the pay and conditions of over 4,000 local people.
- The Project Safety Valve programme for children with additional needs is now in delivery phase, endorsed by the Department for Education.
- Operational Services introduced a new waste round, invested in fly tipping and procured a second taxi MOT centre.
- Health and care transformation activity to address increased demand for health and care services, such as elective care waiting lists and demand for mental health provision.
- Town centre delivery boards were established for each town centre.

Renewal – visionary changes to "build back better" in the borough:

- Town of Culture celebrations included the Head for the Hills and Burrs Festival events, as well as the Victoria Wood Foundation Happy Festival.
- Strategic development plans in place for Radcliffe, Bury Town Centre, Prestwich and Ramsbottom as well as ongoing delivery of the Northern Gateway vision.
- Strategic Regeneration Framework for Radcliffe agreed, including confirmed plans for a new high school. This also sets out a People Plan to engage local communities in the regeneration vision.
- Strategy for carbon neutrality by 2038 published.
- Triage model developed for medium risk domestic abuse cases. 25 units of specialist housing have been commissioned and improvement plan delivered for management of high-risk cases.

Additional activity outside of the planned framework was also delivered last year, including:

- The Bury Interchange development forms part of the £1.07 billion award of monies through the City Region Sustainable Transport Settlement (CRSTS).
- Implementation of an Agile Workforce Strategy which has provided a platform for more efficient ways of working. This positions the Council effectively in a challenging recruitment market and makes significant savings from disposal of office estate.
- Launching delivery of the multi-year internal transformation programme, including agreement of a Digital First Strategy and design of a corporate business support service.
- Agreement of a Community Safety Plan for 2022-25. With the following priorities for the next three years: reducing offending and drug-related offending, supporting victims and tackling the causes of domestic abuse, strengthening community cohesion, creating and maintaining safe spaces and tackling crime and anti-social behaviour.
- A refresh of the partnership-wide Health and Social Care Locality Plan and the development of whole new set of partnership arrangements in the light of the transition to a GM Integrated Care System model and the replacement of Bury CCG by a GM Integrated Care Board.



Greater Manchester Devolution and Partnership Working

The Greater Manchester (GM) Devolution agreement with Government has provided the opportunity to better integrate policies and decision making at a local level. This has led to innovation and new models of local service delivery as well as better co-ordination of interventions to drive productivity growth. Most importantly, as highlighted by the GM Combined Authority, outcomes for residents across the city region have been improved. The GM Strategy has provided the vision and aims for the region, agreed between the public sector, businesses and the voluntary, community and social enterprise sector, and implemented through local and national Government working in partnership. This integration is vital for not only improving services but driving productivity and prosperity across Greater Manchester.

GM Devolution is continuing to shape a new way of working across the region on the important issues facing Greater Manchester. Bury is well placed to shape and benefit from these opportunities.

More broadly, the Council and local partners will need to continue to work closely on how we contribute and engage in ongoing devolution developments. The vision for the future of GM has been set through the Places for Everyone strategy, a new Transport Delivery plan, a Housing Vision and Infrastructure Framework.

Governance

Bury Metropolitan 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, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The Annual Governance Statement explains how the Council has complied with the CIPFA Financial Management Code and also meets the requirements of regulation 6(2) Accounts and Audit Regulations 2015, in relation to the approval of the Annual Governance Statement.

The Head of Fraud, Audit, Insurance & Risk's opinion for 2022/23, is that there is moderate assurance on the overall control framework for the Council. There is, however, also limited assurance on some of the key financial systems, however, it is noted that the reasons for the limited assurance opinions are mainly due to corporate issues that need to be addressed and are not due to fundamental flaws in the financial systems themselves. These opinions are based on the audit work and consider how the systems of internal control within the Council are designed to meet the organisation's objectives and whether controls are applied consistently. For information, this compares with 2021/22 where the overall opinion was also moderate.

It is important to note that the decision to provide an overall audit opinion of moderate assurance, was based upon 64% of reports receiving limited / moderate assurance, against 36% of reports which received positive, full / substantial, assurance.

In forming this opinion, it does not necessarily mean that all Council controls have diminished significantly in 2022/23. It is important to also frame this decision with a number of other factors:

- Changes to audit planning over recent years has encouraged senior management to be open about risks and concerns to help target towards key risks to optimise value of the audit work.
- Advisory work ongoing around new systems / changes to systems which provides ongoing assurance but does not receive a formal opinion.

Performance

The 2022 plan will continue to be structured against the "3Rs" with a focus on **delivery** to support our commitments to response, recovery and renewal. These are described in the table below and will be revisited on a quarterly basis through the Performance Management Framework. In addition to the long-term work carried forward from 2022, priorities for 2023 will also reflect:

- New activity agreed as part of the children's improvement plan;
- Action plans to support the delivery of our Levelling Up and other regeneration schemes;
- Support to understand the implications of the adult social care reform white paper; and
- Operational support for businesses and residents due to the implementation of the clean air policy and associated regulatory changes.

To address issues raised through our external peer reviews, a cross-cutting commitment has been made to strengthen 'the basics' of how we operate, to maximise available resources and improve effectiveness. The majority of this will be delivered through the internal transformation programme including:

- A staff behaviour framework which defines a consistent, high performing way of working against the LET'S principles
- A re-launch of the Council Customer care standards
- A refreshed system for managing Members' casework
- The Council website update and channel shift priorities
- Improvements in internal HR and finance processes
- Investment in the skills and systems of management
- A framework for identifying and developing strengths in delivering the basics

The “Basics” work will also see the development of:

- A corporate problem-solving methodology.
- An improvement plan for Operational Services including a transformation of leisure services and highway improvement programme.
- Preparation and delivery of the 2023 Local Election.

Progression of these priorities will ensure delivery is right first time, that service user satisfaction is improved and there is an agreed approach to addressing problems when they arise.

Alongside the delivery of the key priorities, we will support enabling activity including:

Internal Transformation, including digital

In July 2021, Cabinet agreed a multi-year internal transformation programme with the objectives of both improving service quality and reducing costs. The programme is comprised of three workstreams:

Let's do it....

- Once – an integrated customer contact strategy.
- Flexibly – estates rationalisation and agile working.
- Well – internal improvement and efficiencies.

Underpinning much of this work is the Council's digital programme, which seeks to promote digital-first user engagement, a digital workplace and improved business intelligence. This work has continued in earnest through 2022/23.

Organisation Development

The partnerships mission is to provide direct and robust leadership of the ***Let's Do It!*** vision through the mindset of staff and impact on their approach to delivery services. A People Strategy will be created, setting out the organisations framework for developing skills, structures and culture needed to drive delivery of the vision. Work here will include:

- Co-creation of a set of values which support our diverse workforce to demonstrate the '***LETS***' principles, underpinned by practical behaviours which drive a change in culture.
- Development of leaders and managers to equip them with the skills and confidence to deliver on the partnerships ambition. 2022/23 saw the launch of the managers development programme for all managers who line manage staff.
- Strengthening approaches to talent identification and development, including work with apprenticeships to focus on creating opportunities for Bury residents.
- Focus on wellbeing and engagement, emphasising the role of managers, informed by best practice and internal evidence.
- Improvement in the systems and processes that support quality management.

Financial Management

2022/23 saw the long-awaited finance department restructure. A fundamental objective of this restructure was to create and develop a high performing team who support all budget holders and activities within Bury to ensure financial discipline, grip and control is achieved. It is key that finance is seen as an enabler to all departments to achieve the objectives and priorities of the Council, whilst ensuring financial sustainability and resilience.

Budget Setting

The budget for 2022/23 was set in February 2022 around the Council's priorities and key deliverables. The LET'S DO IT! Strategy directs the Council's Corporate Plan and comprises:

Financial Performance 2022/23

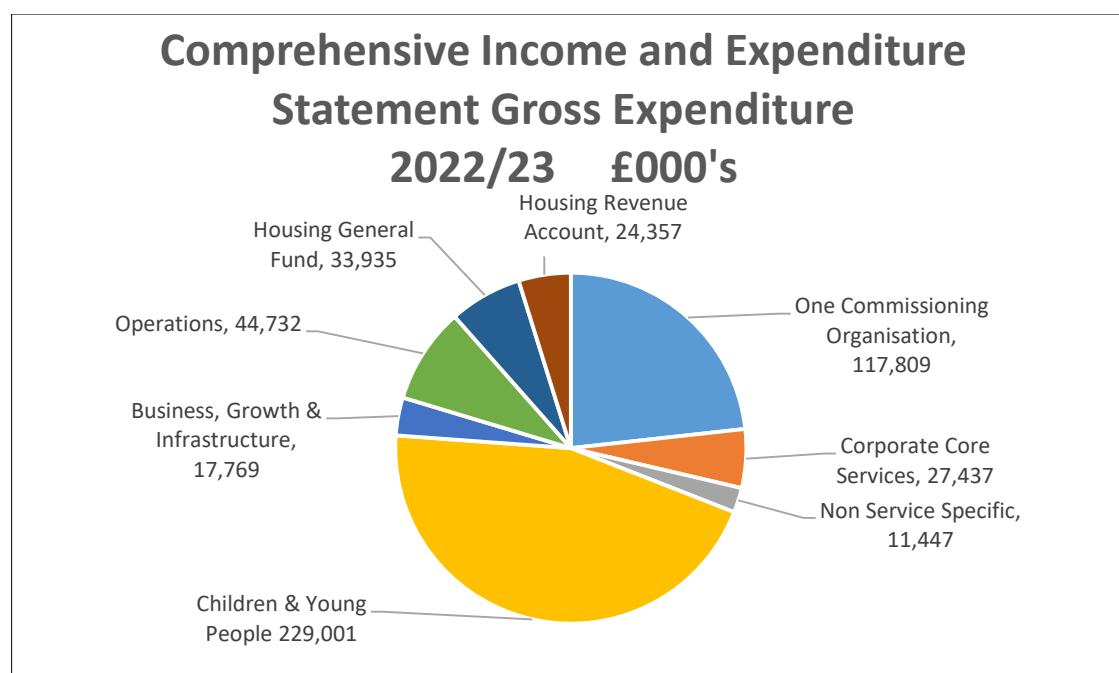
Revenue

The year 2022/23 saw us not only continue the recovery from Covid but experience uncertainty from challenges due to the cost of living crisis.

The General Fund revenue outturn position for 2022/23 is £181.251m (2021/22 £171.185m), this represents a gross overspend of £2.329m (1.3%) (2021/22 overspend of £0.666m) against a General Fund revenue budget of £178.922m (2021/22 £171.851m.)

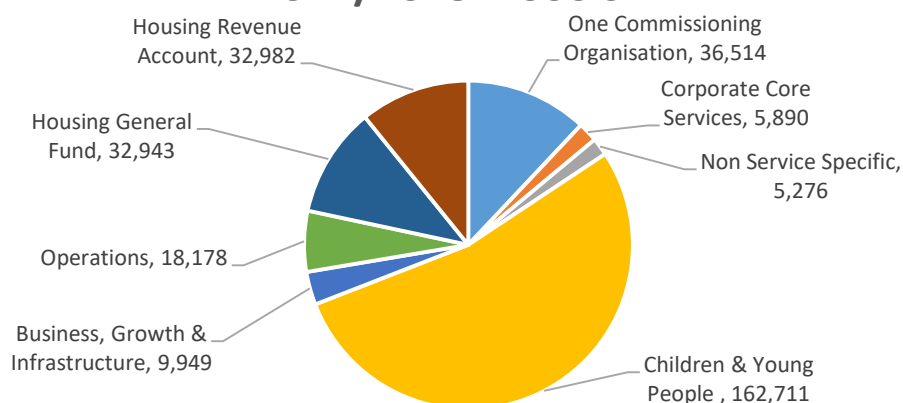
This Income and Expenditure is analysed by department below:

Dept	Budget £000s	Actual Spend £000s	Variance £000s
One Commissioning Organisation	£79,151	£79,333	£182
Children & Young People	£45,243	£51,357	£6,114
Corporate Core Services	£19,310	£18,106	(£1,205)
Non-Service Specific	£11,384	£8,635	(£2,749)
Business, Growth & Infrastructure	£3,525	£2,518	(£1,006)
Operations	£19,020	£20,311	£1,290
Housing General Fund	£1,288	£992	(£296)
	£178,922	£181,251	£2,329



Comprehensive Income and Expenditure Statement Gross Income

2022/2023 £000's



Savings

Bury has delivered £98.64m in savings between 2010 and 2022, with a further £12.244m being delivered in 2022/23. The delivery of some of these savings was affected by Covid and, where possible, alternative efficiencies were identified. All of the agreed savings targets remain in the budget for 2023/24 as it is considered that these are still achievable in the longer term. The Council recognises the need for savings plans to be delivered. Project management capacity has increased and a programme that supports and monitors the delivery and deliverability of savings is in place for 2023/24 supported by the Executive Delivery Board.

Dedicated Schools Grant (DSG)

Approved on the 6th November 2020 but coming into effect from 29 November 2020 parliament agreed to establishing new accounting practices in relation to the treatment of local authorities' schools budget deficits. Where the Council has a deficit on its schools budget it must not charge the amount of that deficit to a revenue account. The Council must record any such deficit in a separate account established solely for the purpose of recording deficits relating to its school's budget. The new accounting practice has the effect of separating schools budget deficits from the Councils' general fund for a period of three financial years. This issue can only be fully resolved by closing the deficits.

At the end of 2022/23 the Council held a net deficit balance of £18.601m on its DSG account, a reduction from £21.473m at the end of 2021/22. The overall outturn was a decrease in the deficit position as a result of the continuing work completed as part of Project Safety Valve. A number of workstreams have been, and continue to be developed, which will further reduce the DSG deficit position. A particular focus of this activity is around the High Needs Block and the demands against this funding stream. The Council is working with Department for Education colleagues on these workstreams and the Council's position over the short to medium term.

Reserves

There was a £14.355m planned use of reserves to balance the 2022/23 position.

Earmarked reserves have however been used throughout the year to deliver key priorities and deliver outcomes where specific funding had been received and was being held in reserves.

The accounts show that the Council has £86.708m (£109.773m at 31 March 2022) in earmarked reserves at 31 March 2023 and £22.701m (£24.468 at 31st March 2022) in General Reserves.

The Council is faced with an uncertain financial climate over the medium to long-term which presents a high risk to the authority and there remains potential for further, as yet unrecognised, risks. For this reason, a prudent approach to the level of reserves held by the Council remains a sensible and necessary approach that underpins the financial resilience of the organisation.

Usable Reserves	2021/22 £000s	2022/23 £000s
General Fund	(£24,468)	(£22,701)
Earmarked General Fund Reserve	(£109,773)	(£86,708)
Housing Revenue Account	(£9,843)	(£9,176)
Major Repairs Reserve	£0	£0
Capital Receipts Unapplied	(£6,967)	(£10,890)
Capital Grants Unapplied	(£16,119)	(£20,268)
Balance at 31 March	(£167,170)	(£149,742)

Pension liabilities

The Council has reported a net pension asset of £90.745m as at 31 March 2023 (Liability of £219.411m as at 31 March 2022). Pension assets & liabilities are based on the requirements of IAS 19, Employee Benefits, and calculations are carried out using a prescribed method. The liability is not an immediate deficit that has to be met now. The sum is the current assessment taking a long-term view of the future liabilities for existing pensioners and current employees who are accruing pension entitlement and of future expected investment performance.

Capital

We spent £45.736m on capital related activities. This was £61.461m less than was included in the original capital programme and taking account of slippage brought forward from the 2021/22 financial year. The main reasons for the underspend were delays in the delivery of capital projects throughout the year. The Council has carried forward £60.117m of slippage into the 2023/24 financial year.

Housing Revenue Account (HRA)

Under legislation, income and expenditure on council housing is ringfenced within the HRA. This means the Council is not able to make contributions to or from its General Fund from or to the HRA.

After taking into account adjustments between the accounting basis and the funding basis under legislation and transfers to and from earmarked reserves there is a reduction of £0.667m on the HRA balance bringing it to £9.176m as at 31 March 2023. On an accounting basis, the 2022/23 outturn position on the HRA is a surplus of £5.313m. This is the net position after gains and losses through sale and interest costs.

Collection Fund

The council is required by legislation to maintain a separate account for the administration of Council Tax and Business Rates income. All income collected from local taxpayers is paid into this account and then distributed to the Council's General Fund, and to the Greater Manchester Combined Authority (GMCA) for the GMCA Mayoral Police and Crime Commissioner precept and the GMCA Mayoral General precept (including fire services). The 2022/23 out turn on the collection fund is a deficit of £7.699m a movement of £1.747m from the start of the year.

The Council's and the Precepting Authorities share of the surplus is shown in the table below:

The Collection Fund	Council Tax £000s	Business Rates £000s	Total £000s
Balance Brought Forward (Surplus)/Deficit	(£4.902)	£14.348	£9.446
Prior Year estimated deficit paid in during the year (Surplus)/Deficit for the year	£5.364 (£1.178)	(£12.870) £6.554	(£7.123) £5.376
Closing Cumulative (surplus) / Deficit carried forward	(£0.716)	£8.415	£7.699
Allocated to:			
Bury Council	(£0.604)	£8.332	£7.728
GMCA Mayoral General	(£0.076)	£0.000	(£0.076)
GMCA Mayoral Police and Crime Commissioner	(£0.036)	£0.084	£0.048
Total Allocation	(£0.716)	£8.416	£7.700

There has been a net deficit B/forward of £1.861m, write offs of £1.274m during the year and a net contribution to the allowance for impairment of debt of £2.322m which has contributed to the deficit position.

Greater Manchester 100% Business Rates Retention Pilot

On 1 April 2017, the GMCA, Bury Council and the nine other GM districts commenced a pilot scheme for the 100% local retention of Business Rates. The participants agreed to pilot full Business Rates Retention on the basis that no district would be worse off than they would have been under the original '50/50' arrangements whereby Business Rates revenues are shared between Central Government and the Local Authority sector. This has become known as the 'no detriment' principle. Under the pilot scheme, additional rates income is offset by reductions in other funding streams such as the Revenue Support Grant (RSG) and Public Health Grant.

The Council continued to pilot the 100% retention of Business Rates in 2022/23. Business rates income is a complex and volatile tax, changes in rateable values and increases in appeals by businesses are difficult to predict and can have a significant impact on the actual benefit realised at the end of the financial year.

From the Government's perspective, the primary purpose of the pilot was to develop and trial approaches to manage risk and reward in a Local Government finance system that included the full devolution of Business Rates revenues. Government plans subsequently changed with a 75% Business Rates Retention Scheme expected to be introduced.

There have been delays to the expected reform of Local Government Funding, including the Business Rates Retention scheme (including the adoption of a national 75% rates retention scheme) however, it has been confirmed, that the Greater Manchester 100% Business Rates Retention pilot scheme will continue in 2023/24.

Treasury Management

We undertake treasury management activities in a prudent and flexible manner to ensure we retain sufficient liquid funds to provide for day to-day cash flow requirements whilst funding our capital spend at the lowest cost. These activities are managed within an overall framework determined by the Treasury Management and investment strategies that were agreed by Full Council in February 2022 and reviewed bi-annually. Interest income and expenditure as a result of investments or borrowing are reflected in our revenue budgets. Included in our investment income is the Council's interest in Manchester Airport Group. The airport has been significantly impacted by Covid and the dividend payable has not been received in 2022/23. As a planning assumption, the loss of dividend has been assumed. As part of the capital development of the Manchester Airport Group, the Greater Manchester authorities agreed a loan totalling £300m of which Bury's share is £9.677m. Interest from the loan is still being accrued and will be payable.

Risks

The Accounts and Audit Regulations 2015 and Public Sector Internal Audit Standards 2017 require the Council to maintain a robust, adequate and effective system of risk management in its delivery of core services. Operation of an effective and embedded risk management framework is an important element of such a system so that the Council effectively discharges its corporate governance responsibilities.

The Executive Team is responsible for reviewing the Corporate Risk Register, ensuring that the management of risk continues to be within the Council's risk appetite. Audit Committee is responsible for considering the effectiveness of the council's Corporate risk management arrangements.

The Council's strategic risks are determined by the Executive Team, and comprise of key risks which either:

- Are relevant and important to all or most of the Council's services and functions;
- Are external to the Council but which have potential significant impacts on the Borough, or parts of the Borough, as a whole; or
- Have potentially severe reputational consequences should they materialise.

The strategic risk register contains 28 risks in total.

Outlook

MTFS

When the 2022/23 budget was set, it was recognised that a reliance on reserves and the non-delivery of savings was impacting on the Council's financial resilience and sustainability and could not be continued. A rolling 5-year financial strategy was developed that realigned budgets, addressed historic savings targets that had never been delivered, reduced reliance on reserves, increased corporate capacity and built in a mechanism to increase reserves on a planned basis.

A review of the collection fund, provisions and reserves also further supported the strategy by ensuring that funding reflected a more accurate position on council tax receipts and growth and that one-off funding was released to increase general reserves and to provide some one-off funding to support transformation. Provisions and reserves were also better aligned to reflect the risks facing the Council. In developing this approach, the financial strategy recognised the need for a number of risks to be monitored, managed and where uncontrollable, to be financially underwritten:

- Prolonged uncertainty around central Government's future funding including a new funding model for adults social care to replace the social care council tax and the better care fund grants;
- Dependency upon locally collected Business Rates placing greater reliance on the need to maintain reserves to manage volatility;
- Designing and delivering sustainable delivery of Special Educational Needs within the Dedicated Schools Grant;
- The broader economic impact, such as the impacts of movements in inflation, council tax base and interest rates on our day to day costs, income and debt repayments; and
- Pension cost increase arising from revaluations and any Central Government decisions about the Local Government Pension Scheme's funding mechanisms.

Risk Management

The Local Government Finance Settlement published in December 2022 only provided certainty for 2023/24 and the longer term future remains uncertain. The MTFS only includes assumptions on the future based on government announcements to date. The MTFS will continue to be updated as the government release information on their funding plans. It is important that Bury spends within this approved budget, especially with additional pressures on current resources.

There are significant risks involved in delivering a balanced budget over the medium term including:

- Loss of income due to economic climate such as Council Tax and Business Rate income
- Non-delivery of approved savings
- Social care placement costs
- The cost of High Needs within the Dedicated Schools Grant and overspends from previous periods.

The risks are monitored and reported

- Included in the Corporate Risk Register
- Regularly reported to Overview and Scrutiny Committee
- Reviewed through quarterly monitoring and updates to Cabinet.

Financial Statements

The Accounts and Audit Regulations 2015, as amended, set out the statutory deadlines for an authority to publish both the unaudited Statement of Accounts by 31 May and audited Statement of Accounts by 30 September.

The Statement of Accounts provide an overview of the Council's financial position for 2022/23. The 2022/23 set of accounts conform to the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the Code), which is based on International Financial Reporting Standards (IFRSs).

Explanatory Statements

Statement of Responsibilities - explains the responsibilities of the Council and its Chief Financial Officer in relation to the Council's financial affairs and the Statement of Accounts.

Core Statements

Comprehensive Income and Expenditure Statement 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 (or rents). Authorities raise taxation (and rents) to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the expenditure and funding analysis and the movement in reserves statement.

Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The statement shows how the movements in year of the authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax (or rents) for the year. The net increase/decrease line shows the statutory general fund balance and Housing Revenue Account (HRA) balance movements in the year following those adjustments.

Balance Sheet shows the value as at the balance sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority.

Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority 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 authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority'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 authority.

Notes to the Core Financial Statements

All the notes to the core statements above are collected in one place. Later in this document there is an explanation of the policies used in the preparation of the figures in these accounts, especially changes made during the year.

Other Statements

The Collection Fund and notes reflects the Council's statutory obligation to maintain a separate Collection Fund for its transactions as a billing authority in relation to Council Tax and Non-Domestic Rates.

Housing Revenue Account and notes shows the in-year economic cost of providing housing services in accordance with generally accepted accounting practices.

Group Accounts

In accordance with the Code the following have been consolidated in the Council's Group Accounts:

The Council relationship with three organisations over which it has substantial control and influence that have been identified as Subsidiaries of Bury Council, of:

- Six Town Housing Ltd
- Bury MBC Townside Fields Ltd
- Persona Care and Support Ltd and Persona Group Ltd

The two joint arrangements formed during 2022/23, whereby the Council has agreed to share joint control and has rights to the net assets of the arrangement, have been classed as a Joint Venture, of:

- Bury Bruntwood (Millgate) LLP
- The Prestwich Regeneration LLP

Further details on the Group entities and the Group Accounts can be found in the Group Accounts section of the Council's statement of Accounts.

Glossary

At the end of the statement there is a glossary which explains some of the technical terms used in these accounts.

Further information

As a result of complying with regulation these accounts can be complex to read. However, I hope you find them informative in helping you understand how the Council manages its finances and its service delivery. If you have any questions or comments please e-mail closedown@bury.gov.uk or write to the Executive Director of Finance, Bury Metropolitan Council, Town Hall, Knowsley Street, Bury BL9 0SW

Statement of Responsibilities for the Statement of Accounts

The Council's Responsibilities

The Council is required:

- To make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In Bury that Officer is the Section 151 Officer.
- To manage its affairs to secure economic, efficient and effective use of its resources and safeguard its assets.
- To approve the Statement of Accounts.

The Responsibilities of Audit Committee

Audit Committee is required:

- To monitor the integrity of the financial statements of the Council and to review significant financial reporting judgements contained in them;
- To review the Council's internal financial controls including its risk management systems;
- To monitor and review the effectiveness of the Council's internal audit function;
- To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process;
- To consider significant accounting policies, any changes to them, and any significant estimates and judgements;
- To review the clarity and completeness of disclosures in the financial statements and consider whether the disclosures made are set properly in context; and
- To approve the audited Statement of Accounts.

The Responsibilities of the Section 151 Officer

The Section 151 Officer is responsible for the preparation of the Authority's Statement of Accounts which, in terms of CIPFA's Code of Practice on Local Authority Accounting in Great Britain, is required to present **a true and fair view** of the financial position, financial performance and cash flows of the Authority at the accounting date and its income and expenditure for the year ended 31st March 2023.

In preparing the Statement of Accounts the Section 151 Officer has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent; and
- Complied with the Code of Practice on Local Authority Accounting.

The Section 151 Officer has also:

- Kept proper accounting records which are up to date;
- Taken reasonable steps for the prevention and detection of fraud and other irregularities;
- Signed the letter of representation with the External Auditor;
- Signed and dated the draft Statement of Accounts, confirming satisfaction that it presents a true and fair view of the authority's financial position at the balance sheet date, the authority's income and expenditure for the year;
- Commenced the period for the exercise of public rights with regards to the inspection of the statement of accounts;
- Notified the External Auditor of the date on which that period began;
- Assessed the Authority's [and the Group's] ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- Used the going concern basis of accounting on the assumption that the functions of the Authority [and the Group] will continue in operational existence for the foreseeable future;
- Maintained such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and

- Reconfirmed satisfaction that the accounts present a true and fair view of the financial position at the balance sheet date and the income and expenditure for the year, upon conclusion of the public inspection period and immediately prior to approval of the audited accounts by Audit Committee.

Independent Auditors Report

Intentionally Blank – Auditors Report to be Inserted on Completion of the Audit

Core Financial Statements and Explanatory Notes

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Comprehensive Income and Expenditure Statement

This statement 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 [or rents]. Authorities raise taxation [and rents] to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the expenditure and funding analysis and the Movement in Reserves Statement.

2021/22			Comprehensive Income and Expenditure Statement		2022/23		
Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s	Description	Note	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
£125,282	(£47,930)	£77,352	One Commissioning Organisation		£117,809	(£36,514)	£81,295
£204,228	(£157,524)	£46,704	Children, Young People & Culture		£229,001	(£162,711)	£66,289
£34,030	(£6,676)	£27,354	Corporate Core Services		£27,437	(£5,890)	£21,547
£45,124	(£44,098)	£1,026	Non Service Specific		£11,447	(£5,276)	£6,171
£13,973	(£7,456)	£6,517	Business, Growth & Infrastructure		£17,610	(£9,790)	£7,820
£53,914	(£25,650)	£28,264	Operations		£44,732	(£18,178)	£26,554
£33,908	(£33,962)	(£54)	Housing General Fund		£33,935	(£32,943)	£992
£9,344	(£31,785)	(£22,441)	Housing Revenue Account		£20,596	(£32,982)	(£12,387)
£519,803	(£355,081)	£164,722	Cost of Services		£502,567	(£304,286)	£198,281
£27,969	£0	£27,969	Other Operating Expenditure	10	£27,838	£0	£27,838
£31,611	(£21,224)	£10,387	Financing & Investment Income & Expenditure	11	£12,693	(£5,492)	£7,201
0	(£199,173)	(£199,173)	Taxation & Non-Specific Grant Income & Expenditure	12	£0	(£199,460)	(£199,460)
£579,383	(£575,478)	£3,905	(Surplus) or Deficit On Provision of Services		£543,099	(£509,238)	£33,861
		(£15,559)	(Surplus)/Deficit on Revaluation of Property, Plant & Equipment				(£45,372)
		£7,309	Impairment Losses on Non-Current Assets Charged to the Revaluation Reserve				£0
		£0	(Surplus)/Deficit from Investments in Equity Instruments Designated at Fair Value through Comprehensive Income				(£1,000)
		(£165,358)	Actuarial (gains)/losses on the Remeasurement of the Net Defined Benefit Liability/(Asset)				(£330,522)
		(£173,608)	Total Other Comprehensive Income & Expenditure				(£376,894)
		(£169,703)	Total Comprehensive Income & Expenditure				(£343,033)

Movement in Reserves Statement

This statement shows the movement from the start of the year to the end on the different reserves held by the authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The Movement in Reserves Statement shows how the movements in year of the authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax [or rents] for the year. The net increase/decrease line shows the statutory General Fund balance and Housing Revenue Account balance movements in the year following those adjustments.

Movement in Reserves Statement 2022/23	Usable Reserves								Unusable Reserves	Total Reserves
	General Fund Balance	Earmarked General Fund Reserves	Total General Fund Balance	Housing Revenue Account	Usable Capital Receipts	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves		
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April Brought Forward	(£24,468)	(£109,775)	(£134,243)	(£9,843)	(£6,967)	£0	(£16,119)	(£167,172)	(£116,165)	(£283,337)
<i>Movement in Reserves During 2022/23:</i>										
Total Comprehensive Income and Expenditure	£42,936	£0	£42,936	(£9,075)	£0	£0	£0	£33,861	(£376,894)	(£343,033)
Adjustments between Accounting Basis and Funding Basis Under Regulations	(£18,103)	£0	(£18,103)	£9,741	(£3,923)	£0	(£4,149)	(£16,433)	£16,433	£0
Net (Increase)/Decrease before Transfers to Earmarked Reserves	£24,833	£0	£24,833	£666	(£3,923)	£0	(£4,149)	£17,428	(£360,461)	(£343,033)
Transfers (to)/from Earmarked Reserves	(£23,065)	£23,065	£0	£0	£0	£0	£0	£0	£0	£0
(Increase)/Decrease in Year	£1,768	£23,065	£24,833	£666	(£3,923)	£0	(£4,149)	£17,428	(£360,461)	(£343,033)
Balance at 31 March Carried Forward	(£22,700)	(£86,710)	(£109,410)	(£9,177)	(£10,890)	£0	(£20,268)	(£149,744)	(£476,626)	(£626,370)

The following table is provided for comparative purposes:

Movement in Reserves Statement 2021/22	Usable Reserves								Unusable Reserves £000s	Total Reserves £000s
	General Fund Balance £000s	Earmarked General Fund Reserves £000s	Total General Fund Balance £000s	Housing Revenue Account £000s	Usable Capital Receipts £000s	Major Repairs Reserve £000s	Capital Grants Unapplied £000s	Total Usable Reserves £000s		
Balance at 1 April Brought Forward	(£30,882)	(£125,882)	(£156,764)	(£10,422)	(£4,889)	(£14)	(£9,608)	(£181,697)	£68,063	(£113,634)
<i>Movement in Reserves During 2021/22:</i>										
Total Comprehensive Income and Expenditure	£22,752	£0	£22,752	(£18,847)	£0	£0	£0	£3,905	(£173,608)	(£169,703)
Adjustments between Accounting Basis and Funding Basis Under Regulations	(£231)	£0	(£231)	£19,426	(£2,078)	£14	(£6,511)	£10,620	(£10,620)	£0
Net (Increase)/Decrease before Transfers to Earmarked Reserves	£22,521	£0	£22,521	£579	(£2,078)	£14	(£6,511)	£14,525	(£184,228)	(£169,703)
Transfers (to)/from Earmarked Reserves	(£16,107)	£16,107	£0	£0	£0	£0	£0	£0	£0	£0
(Increase)/Decrease in Year	£6,414	£16,107	£22,521	£579	(£2,078)	£14	(£6,511)	£14,525	(£184,228)	(£169,703)
Balance at 31 March Carried Forward	(£24,468)	(£109,775)	(£134,243)	(£9,843)	(£6,967)	£0	(£16,119)	(£167,172)	(£116,165)	(£283,337)

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the authority 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 basis under regulations'.

31st March 2021 £000s	31st March 2022 £000s	Balance Sheet Description	2021 Note	31st March 2023 £000s
£548,374	£589,879	Property, Plant & Equipment	14	£647,620
£26,353	£26,353	Heritage Assets	15	£26,353
£16,708	£17,005	Investment Property	16	£18,704
£3,271	£3,544	Intangible Assets	17	£2,778
£23,400	£23,400	Long-Term Investments	19	£24,400
£44,142	£47,162	Long-Term Debtors	21	£69,188
£0	£0	Pension Asset	21	£90,745
£662,248	£707,343	LONG TERM ASSETS		£879,788
£521	£5,504	Short-Term Investments	19	£469
£622	£624	Assets Held For Sale	18	£1,285
£1,069	£1,392	Stocks & Work in Progress		£1,821
£62,997	£52,463	Short-Term Debtors	21	£54,037
£11,044	£34,773	Cash and Cash Equivalents	22	(£5,757)
£76,253	£94,756	CURRENT ASSETS		£51,854
(£6,392)	(£14,344)	Short-Term Borrowing	19	(£40,589)
(£43,611)	(£43,709)	Short-Term Creditors	23	(£37,147)
(£3,948)	(£1,876)	Short-Term Provisions	24	(£1,753)
(£73)	(£15,536)	Revenue Grants in Advance	33	(£1,073)
(£54,024)	(£75,465)	CURRENT LIABILITIES		(£80,563)
(£27)	(£4)	Long-Term Creditors		(£4)
(£7,887)	(£5,949)	Long-Term Provisions	24	(£6,731)
(£201,095)	(£207,903)	Long-Term Borrowing	19	(£204,709)
(£970)	(£13)	Deferred Liabilities		(£12)
(£356,592)	(£219,411)	Pension Liability	38	£0
(£4,272)	(£10,017)	Capital Grants Receipts in Advance	33	(£13,255)
(£570,843)	(£443,297)	LONG TERM LIABILITIES		(£224,711)
£113,634	£283,337	NET ASSETS		£626,369
(£181,697)	(£167,172)	Usable Reserves	9	(£149,742)
£68,063	(£116,165)	Unusable Reserves	26	(£476,627)
(£113,634)	(£283,337)	TOTAL RESERVES		(£626,369)

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority 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 authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources that are intended to contribute to the authority'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 authority.

Cash Flow Statement	Note	Restated 2021/22 £000s	2022/23 £000s
Net (Surplus) or Deficit on the Provision of Services		£3,905	£33,861
Adjustment to Net (Surplus) or Deficit on the Provision of Services for Non-Cash Movements		(£51,668)	(£34,055)
Adjust for Items Included in the Net (Surplus) or Deficit on the Provision of Services that are Investing and Financing Activities		£25,899	£26,085
Net Cash flows from Operating Activities	27	(£21,864)	£25,891
Net Cash Flows from Investing Activities	27	£12,757	£37,044
Net Cash Flows from Financing Activities	27	(£14,621)	(£22,405)
Net Increase or (Decrease) in Cash and Cash Equivalents		(£23,729)	£40,531
Cash and Cash Equivalents at the Beginning of the Reporting Period		(£11,044)	(£34,773)
Cash and Cash Equivalents at the End of the Reporting Period	22	(£34,773)	£5,757

Expenditure and Funding Analysis

The objective of the expenditure and funding analysis is to demonstrate to council tax [and rent] payers how the funding available to the authority (ie government grants, rents, council tax 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 [services or departments]. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement

Expenditure and Funding Analysis	2022/23							
	Outturn as Reported to Cabinet	Adjustments to Management Reporting (EFA Note 1)	Net Expenditure Chargeable to the GF and HRA	Adjustments for Capital Purposes (EFA Note 2)	Net Change for Pensions Adjustments (EFA Note 3)	Other Statutory Differences (EFA Note 4)	Adjustments Between Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
One Commissioning Organisation	£79,333	£187	£79,521	£162	£1,613	£0	£1,774	£81,295
Children & Young People	£51,357	(£86)	£51,271	£10,083	£7,968	(£3,035)	£15,017	£66,287
Corporate Core Services	£18,106	£11	£18,117	£1,728	£2,036	(£334)	£3,430	£21,547
Non-Service Specific	£8,635	(£5,631)	£3,004	£3,169	£0	£0	£3,169	£6,173
Business, Growth & Infrastructure	£2,519	(£1,673)	£846	£6,469	£506	£0	£6,974	£7,820
Operations	£20,310	(£865)	£19,445	£4,923	£2,186	£0	£7,109	£26,554
Housing General Fund	£992	£0	£992	£0	£0	£0	£0	£992
Housing Revenue Account	£0	(£3,380)	(£3,380)	(£9,007)	£0	£0	(£9,007)	(£12,387)
Net Cost of Services	£181,252	(£11,436)	£169,815	£17,526	£14,308	(£3,368)	£28,466	£198,281
Other Income and Expenditure	(£179,483)	£35,168	(£144,316)	(£23,823)	£6,058	(£2,339)	(£20,104)	(£164,420)
(Surplus) or Deficit on the Provision of Services	£1,768	£23,731	£25,500	(£6,297)	£20,366	(£5,707)	£8,362	£33,861

Opening General Fund and HRA Balance
1 April 2022 *

(£144,084)

Less/Plus (Surplus) or Deficit on General
Fund Balance In-Year

£25,500

Reserve Transfers

£0

Closing General Fund and HRA Balance
31 March 2023 *

(£118,585)

* For a further split of this balance – see the Movement in Reserves Statement

Expenditure and Funding Analysis	2021/22							
	Outturn as Reported to Cabinet	Adjustments to Management Reporting (EFA Note 1)	Net Expenditure Chargeable to the GF and HRA	Adjustments for Capital Purposes (EFA Note 2)	Net Change for Pensions Adjustments (EFA Note 3)	Other Statutory Differences (EFA Note 4)	Adjustments Between Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
One Commissioning Organisation	£80,190	(£5,858)	£74,332	£98	£2,922	£0	£3,020	£77,352
Children & Young People	£48,054	(£16,355)	£31,699	£6,602	£9,101	(£698)	£15,005	£46,704
Corporate Core Services	£13,390	£10,082	£23,472	£1,028	£3,454	(£600)	£3,882	£27,354
Non-Service Specific	£3,935	£19,769	£23,704	(£4,464)	£0	(£18,214)	(£22,678)	£1,026
Business, Growth & Infrastructure	£3,680	(£1,930)	£1,750	£3,851	£916	£0	£4,767	£6,517
Operations	£21,288	(£1,637)	£19,651	£4,163	£4,450	£0	£8,613	£28,264
Housing General Fund	£1,312	(£1,366)	(£54)	£0	£0	£0	£0	(£54)
Housing Revenue Account	£0	(£3,614)	(£3,614)	(£18,827)	£0	£0	(£18,827)	(£22,441)
Net Cost of Services	£171,849	(£909)	£170,940	(£7,549)	£20,843	(£19,512)	(£6,218)	£164,722
Other Income and Expenditure	(£171,849)	£24,009	(£147,840)	(£20,311)	£7,334	£0	(£12,977)	(£160,817)
(Surplus) or Deficit on the Provision of Services	£0	£23,100	£23,100	(£27,860)	£28,177	(£19,512)	(£19,195)	£3,905

Opening General Fund and HRA Balance
1 April 2021 *

(£167,184)

Less/Plus (Surplus) or Deficit on General
Fund Balance In-Year

£23,100

Reserve Transfers

Closing General Fund and HRA Balance

31 March 2022 *

(£144,084)

* For a further split of this balance – see the Movement in Reserves Statement

Note to the Expenditure and Funding Analysis:

a) Adjustments to Management Reporting

This column adjusts the outturn figures reported to management for items chargeable to the General Fund (GF) and Housing Revenue Account (HRA) column, for:

Net Cost of Services – the insertion of both the Housing Revenue Account and Schools, income and expenditure.

Financing & Investment Income & Expenditure – the reallocation of Investment Properties and Financing & Investment Income & Expenditure to/from the Net Cost of Services to Other Operating Income and Expenditure.

Reserves – the removal of transfers to/from reserves included in the management outturn report as these are not shown on the face of the Comprehensive Income and Expenditure Account.

b) Adjustments for Capital Purposes

This column adds in depreciation and impairment and revaluation gains and losses in the net cost of service, for:

Other Operating Expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.

Finance and Investment Income and Expenditure – the statutory charges for capital financing, i.e. Minimum Revenue Provision and other revenue contributions, are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.

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 during 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 within the year.

c) Net Change for the Pension Adjustments

This column removes employer pension contributions and adds IAS19 Employee Benefits related expenditure and income, as follows:

For the Net Cost of Services – this represents the removal of the employer pension contributions made by the Council as allowed by statute and their replacement with current service costs and past service costs.

For Financing and Investment Income and Expenditure – the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement (CIES).

d) Other Statutory Adjustments

This column shows the differences between amounts debited/credited to the CIES and amounts payable/receivable to be recognised under statute are set out below:

For Financing and Investment Income and Expenditure – the other statutory adjustments column recognises adjustments to the General Fund of the timing differences for premiums and discounts.

For Taxation and Non-Specific Grant Income – represents the difference between what is chargeable under statute for Council Tax and Business Rates to that which was estimated to be received at the start of the year, and the income recognised under general accepted accounting practices. This is a timing difference as any difference is brought forward in the surpluses or deficits on the Collection Fund.

Index for the Notes to the Core Statement

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Notes to the Core Financial Statements

01. Accounting Policies for the 2022/23 Statement of Accounts

General Principals

Basis of preparation

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 by the Accounts and Audit Regulations 2015, which require the accounts to be prepared in accordance with proper accounting practices. These practices under Section 21 of the 2003 Act primarily comprise the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Council Accounting in the United Kingdom 2022/23 (the Code) 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 accounts have been prepared on a going concern basis, under the assumption that the Council will continue in existence for the foreseeable future.

Events after the Balance Sheet Date

Events after the Balance Sheet reporting period are those events, both favourable and unfavourable, that occur between the Balance Sheet date and the date when the statement of accounts is authorised for issue. Two types of events can be identified:

- 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.
- 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 such 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.

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

Group Accounts

The Council has material interests in companies and other entities that have the nature of subsidiaries and joint ventures and require it to prepare group accounts. In the Council own single-entity accounts, the interests in companies and other entities are recorded as financial assets at cost, less any provision for losses.

The Council has material interest in external entities that are classified as subsidiaries and which are consolidated into the Council's group accounts on a line-by-line basis, after eliminating intra group transactions.

The Council has material interests in Joint Venture arrangements, IFRS 11 requires that a joint venturer shall recognise its interest in a joint venture using the equity method.

The equity method for accounting for joint ventures requires an investor to bring an investment into its Group Balance Sheet at cost (identifying any goodwill arising) and then to adjust the carrying value by the change in the investor's share of the joint venture's net assets. The investor calculates its share of the joint venture's operating results for the year and includes this amount in the Group Comprehensive Income and Expenditure Statement immediately after its group operating result. The share is the aggregate of the holdings in the joint venture by the authority (and its subsidiaries).

An entity could be material but still not consolidated if all of its business is with the Council and eliminated on consolidation – i.e. the consolidation would mean that the group accounts are not materially different to the single entity accounts.

Pooled Budgets

The Council is the host partner of the pooled funds in respect of Health and Social care and the Better Care Fund. The arrangements are made in accordance with section 75 of the National Health Service Act 2006 and allows budgets to be pooled between authorities and health and social care organisations.

The arrangements are accounted for as joint operations and, therefore, the Council accounts for its share of the funds' assets, liabilities, expenditure and income.

Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

Accounting Policies for Income and Expenditure

Accruals of Income and Expenditure

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

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – 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 receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue in financing and investment income and expenditure for the income that might not be collected.

Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are charged an accounting estimate of the cost of holding non-current assets during the year. This comprises:

- depreciation attributable to the assets used by the relevant service.
- 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.
- amortisation of intangible assets attributable to the service.

The Council is not allowed to raise Council Tax to fund depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue 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, as approved Minimum Revenue Provision policy].

Depreciation, revaluation and impairment losses, and amortisation are therefore replaced by the contribution in the General Fund balance [MRP or the statutory repayment of loans fund advances]. By way of an adjusting transaction with the capital adjustment account in the Movement in Reserves Statement for the difference between the two.

Council Tax and Non-Domestic Rates income

Billing authorities act as agents, collecting council tax and non-domestic rates (NDR) on behalf of the major preceptors (including government for NDR) and, as principals, collecting council tax and NDR for themselves. Billing authorities are required by statute to maintain a separate fund (i.e. the collection fund) for the collection and distribution of amounts due in respect of council tax and NDR. Under the legislative framework for the collection fund, billing authorities, major preceptors and central government (for NDR) share proportionately the risks and rewards that the amount of council tax and NDR collected could be less or more than predicted.

Accounting for council tax and NDR

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement (CIES) is the authority's share of accrued income for the year. However, regulations determine the amount of council tax and NDR that must be included in the authority's General Fund. Therefore, the difference between the income included in the CIES and the amount required by regulation to be credited to the General Fund is taken to the collection fund adjustment account and included as a reconciling item in the Movement in Reserves Statement. The Balance Sheet includes the authority's share of the end of year balances in respect of council tax and NDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals.

Employee Benefits

Benefits Payable During Employment

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, paid sick leave, flexi and time off in lieu (TOIL) as well as bonuses and non-monetary benefits (e.g. mobile phones) for current employees and are recognised as an expense for services in the year in which employees render service to the Council.

Employee Accumulated Absence Accrual

An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end that employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the current accounting year. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement to the accumulated absences account so that holiday benefits are charged to revenue in the financial year in which the holiday entitlement occurs.

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 in exchange for those benefits and are charged on an accruals basis to the relevant services lines in the Comprehensive Income and Expenditure Statement, at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring.

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 three separate pension schemes:

- The Greater Manchester Local Government Pension Scheme, administered by Tameside Metropolitan Borough Council.
- The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE).
- The NHS Pension Scheme, administered by EA Finance NHS Pension

These schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees working for the Council.

However, the arrangements for the teachers' and NHS schemes means that liability for these benefits cannot be identified specifically to the Council. These schemes are therefore accounted for as if they are a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet.

The Greater Manchester Local Government Pension Scheme

The Greater Manchester Local Government Pension Scheme is accounted for as a defined benefits scheme.

- The liabilities of the Greater Manchester Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method; an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates and projections of future earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate (based on the indicative rate of return on a basket of high quality corporate bonds, Government gilts and other factors).
- The assets of the Greater Manchester 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
 - unitised securities – current bid price
 - property – market value

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

- Service cost comprising:
 - **Current service cost** – the increase in liabilities as a result of years of service earned in the current year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
 - **Past service cost** – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years - debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Service Specific.
 - **Net interest on the net defined benefit liability**, i.e. net interest expense for the authority - the change during the period in the net defined benefit liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period - taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.
- Remeasurement comprising:
 - **The return on plan assets** – excluding amounts included in net interest on the net defined benefit liability (asset) – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - **Actuarial gains and losses** – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - **Contributions paid to the Greater Manchester Pension Fund** - cash paid as employer contributions to the pension scheme in settlement of liabilities; not accounted for as an expense.

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 accounting standards. In the Movement in Reserves Statement, this means that there are transfers 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 (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

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:

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

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached 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-ringfenced 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.

Where revenue grants are credited to the Comprehensive Income and Expenditure Statement but have yet to be used to fund revenue expenditure, they are posted to the Revenue Grant Reserve. When eligible expenditure is incurred in future years the grant is transferred back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against Council Tax for the expenditure.

Overheads and Support Services

The costs of support services such as administration and management are charged to services in accordance with the Council's arrangements for accountability and performance

Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place on or before the Balance Sheet date:

- that gives the Council a present (legal or constructive) obligation
- that probably requires settlement by a transfer of economic benefits or service potential, and
- where a reliable estimate can be made of the amount of the obligation.

If it is not clear whether an event has taken place on or before the Balance Sheet date, it is deemed to give rise to a present obligation if, taking account of all available evidence, it is more likely than not that a present obligation exists at the Balance Sheet date. The present obligation can be legal or constructive.

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 are 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 revenue account.

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) it 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.

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 with sufficient reliability.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

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.

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 Council Tax.

Value Added Tax (VAT)

Value Added Tax payable is included as an expense only to the extent that it is not recoverable from HMRC. VAT receivable is excluded from income.

Accounting policies for assets and liabilities

Cash and Cash Equivalents

Cash is represented by cash in hand, school bank accounts and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of a 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.

Financial Instruments

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 held by the Council, 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. When a premium or discount has been incurred and paid in full by a grant from an external body it is accounted for in full in the year that the grant is received. 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 based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics.

There are three main classes of financial assets measured at:

- amortised cost
- fair value through other comprehensive income (FVOCI), and
- fair value through profit or loss (FVPL).

The Council's business model is to hold investments to collect contractual cash flows i.e. payments of interest and principal. Most of the Council's financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost 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 subsequently 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 financial assets held by the Council, 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.

Any gains and losses that arise on the derecognition of a financial asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost (or where relevant FVOCI), either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the Council.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

Financial Assets measured at Fair Value through other Comprehensive Income (FVOCI)

These assets relate to financial instruments where the amounts received relating to them are solely principal and interest but they are held to collect cash and sell the assets. The interest received on these assets is spread evenly over the life of these instruments.

Changes in fair value are posted to Other Comprehensive Income and Expenditure and are balanced by an entry in the Financial Instruments Revaluation Reserve.

When the asset is de-recognised, the cumulative gain or loss previously recognised in Other Comprehensive Income and Expenditure is transferred from the Financial Instruments Revaluation Reserve and recognised in the Surplus or Deficit on the Provision of Services.

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

These assets relate to financial instruments where the amounts received relating to them are not principal and interest (e.g. equity investments). Dividends received are accounted for at the point they are received.

The fair value measurements of the financial assets are based on the following techniques:

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

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

An equity instrument that has been classed as FVPL can be designated as FVOCI if it is not held for trading (e.g. a strategic investment). Once this designation has been made it cannot be reversed. This designation would mean that any gains and losses would be held in the Financial Instruments Revaluation Reserve.

Fair Value Measurement

The Council measures some of its assets and liabilities at fair value at the end of the reporting period. Fair value is the amount that would be received to sell an asset or paid to transfer a liability at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

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

The Council uses both in house and external valuers to provide a valuation of its non-financial assets and liabilities, for recognition or disclosure as appropriate, in line with the highest and best use definition within IFRS 13 Fair Value Measurement.

The highest and best use of the asset or liability being valued is considered from the perspective of a market participant. Inputs to the valuation techniques in respect of the Council's fair value measurement of its assets and liabilities are categorised within the fair value hierarchy as follows:

- **Level 1** – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council 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.

Heritage Assets

The Council's Heritage Assets are held by the Council principally for their contribution to knowledge and/or culture. These include Civic Regalia, Artefacts and various gifts & bequests some of which are held in the Museum and Art Gallery. These are recognised and measured, including treatment of revaluation gains and losses, in accordance with the Council's accounting policies on Property Plant and Equipment.

The land and building assets identified to date include Radcliffe Tower, the Dungeon and Rodger Worthington's grave. As there is no available valuation for these assets they have been reported at nominal value as recommended by the Council's property valuer.

However, some of the measurement rules are relaxed allowing the Council's Heritage Assets to be included on the Balance Sheet at their insured value where available. Where insurance valuations are not available there is a narrative disclosure.

Heritage assets are deemed to have an indefinite life, therefore are not depreciated as the charge made would be minimal and immaterial. Nevertheless, where there is evidence of physical deterioration to a Heritage Asset, or doubts arise to its authenticity, the value of the asset has to be reviewed.

Investment Property

Investment properties are those assets 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, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are charged 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 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 charged to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Useable Capital Receipts Reserve.

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.

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 cost less accumulated depreciation and any accumulated impairment loss. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) 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 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.

Infrastructure Assets

Highways infrastructure assets include carriageways, footways and cycle tracks, structures (e.g. bridges), street lighting, street furniture (e.g. illuminated traffic signals, bollards), traffic management systems and land which together form a single integrated network.

Recognition

Expenditure on the acquisition or replacement of components of the network is capitalised on an accrual basis, provided that it is probable that the future economic benefits associated with the item will flow to the authority and the cost of the item can be measured reliably.

Measurement

Highways infrastructure assets are generally measured at depreciated historical cost. However, this is a modified form of historical cost – opening balances for highways infrastructure assets were originally recorded in balance sheets at amounts of capital undischarged for sums borrowed as at 1 April 1994, which was deemed at that time to be historical cost.

Where impairment losses are identified, they are accounted for by the carrying amount of the asset being written down to the recoverable amount.

Depreciation

Depreciation is provided on the parts of the highways network infrastructure assets that are subject to deterioration or depletion and by the systematic allocation of their depreciable amounts over their useful lives. Depreciation is charged on a straight-line basis.

Annual depreciation is the depreciation amount allocated each year.

Useful lives of the various parts of the highways network are assessed by the Chief Highways Engineer using industry standards where applicable as follows:

Part of Highways Network	Useful Life
Roads	25 Years
Bridges	80 Years
Street Furniture	30 Years
Street Lighting	40 Years
Footways & Cycle Tracks	25 Years

Disposals and derecognition

When a component of the network is disposed of or decommissioned, the carrying amount of the component in the Balance Sheet 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).

The written-off amounts of disposals are not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are transferred to the capital adjustment account from the General Fund Balance in the Movement in Reserves Statement.

Inventories

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

Long-term Contracts

Long-term contracts are accounted for on the basis of charging the surplus or deficit on the provision of services with the consideration allocated to the performance obligations satisfied based on the goods or services transferred to the service recipient during the financial year.

Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

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

Operating Leases:

Rental paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting 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

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.

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. The Council has a £15,000 de-minimis limit for the recognition of Capital Expenditure.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price.
- 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.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Assets that are being constructed by the Council will initially be recognised at cost.

The Council does not capitalise borrowing costs incurred in the cost of acquisition, construction and completion of qualifying assets.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

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

Category	Measurement Basis
Community assets and assets under construction	Depreciated historical cost
Dwellings	Current value, determined using the basis of existing use value for social housing (EUV-SH).
Surplus Assets	Fair value, determined by the measurement of the highest and best use value of the asset
All Other operational Assets	Current 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 current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Assets included on the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current 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 Surplus or Deficit on the Provision of Services where they arise from the reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant Portfolio line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

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 as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant Portfolio line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant Portfolio 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.

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:

Category	Measurement Basis
Dwellings	Component Life
Other Buildings	Straight line allocation over the useful life of the property as estimated by the valuer.
Vehicles, plant, furniture, and equipment	Straight-line allocation over the useful life of the asset as estimated by a suitably qualified officer.

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.

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.

Component Accounting

Component accounting is applied only to housing stock in accordance with the analysis provided by the valuer.

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 in the surplus or deficit on the provision of services. Depreciation is not charged on assets held for sale.

If assets no longer meet the criteria to be classified as assets held for sale, they are reclassified back to non-current assets and valued at the lower of their 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.

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 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.

The written-off asset value of disposals is not a charge against the General Fund, as the cost of non-current 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.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. If the disposal relates to housing assets a proportion of the capital receipt is payable to the Government (75% for dwellings, 50% for land and other assets, net of statutory deductions and allowances). The balance of receipts is required to be credited to the Useable Capital Receipts Reserve and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement). Receipts are transferred to the Useable Capital Receipts Reserve from the General Fund Balance in the Movement in Reserves Statement.

Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by transferring 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 to score 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 Council Tax for the expenditure.

Certain reserves are held to manage the accounting processes for non-current assets, financial instruments, local taxation, retirement and employee benefits and do not represent usable resources for the Council. These reserves are further explained in the relevant policies.

Schools

In line with accounting standards and the Code on group accounts and consolidation, all maintained schools are considered to be entities controlled by the Council. Rather than produce group accounts the income, expenditure, assets, liabilities, reserves and cash flows of each school are recognised in the Council's single entity accounts.

The Council has the following types of maintained schools under its control:

- Community
- Voluntary Aided
- Voluntary Controlled
- Foundation (Applicable to 2021/22 due to Peel Brow converting to an Academy on 1 March 2022)

Schools' non-current assets (school buildings and playing fields) are recognised on the Balance Sheet where the Council directly owns the assets, where the Council holds the balance of control of the assets or where the school or the school governing body own the assets or have had rights to use the assets transferred to them through a licence arrangement.

When a maintained school converts to an Academy, the school's non-current assets held on the Council's Balance Sheet are treated as a disposal. The carrying value of the asset is written off to Other Operating Income and Expenditure in the Comprehensive Income and Expenditure Statement. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

The written-off asset value is not a charge against the General Fund, as the cost of non-current asset disposals resulting from schools transferring to an Academy 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

02. Accounting Standards Issued, Not Adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard which has been issued but is yet to be adopted by the 2022/23 Code.

The Code also requires that changes in accounting policy are to be applied retrospectively unless transitional arrangements are specified, this would, therefore result in an impact on disclosures spanning two financial years.

The standards introduced by the 2023/24 Code where disclosures are required in the 2022/23 financial statements, in accordance with the requirements of the Code, are:

- a)** IFRS 16 Leases (but only for those local authorities that have decided to voluntarily implement IFRS 16 in the 2023/24 year).
- b)** Where an authority adopted IFRS 16 in 2022/23 but chose to defer implementation of IFRS 16 to PFI/PPP arrangements until 2023/24 information on that more specific accounting change will be required in its 2022/23 Statement of Accounts.
- c)** Definition of Accounting Estimates (Amendments to IAS 8) issued in February 2021.
- d)** Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) issued in February 2021.
- e)** Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) issued in May 2021.
- f)** Updating a Reference to the Conceptual Framework (Amendments to IFRS 3) issued in May 2020.

These changes are not expected to have a material impact on the Council's single entity statements or group statements.

03. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the 2022/23 statement of accounts are:

Accounting for Schools – Balance Sheet Recognition of Schools

The Council recognises the land and buildings used by schools in line with the provisions of the Code of Practice. It states that property used by Local Council maintained schools should be recognised in accordance with the asset recognition tests relevant to the arrangements that prevail for the property.

The Council recognises schools land and buildings on its Balance Sheet where it directly owns the assets. Where the land and building assets used by the school are owned by an entity other than the Council, school or school Governing Body then it is not included on the Council's Balance Sheet. The exception is where the entity has transferred the rights of use of the asset to the Council, school or school Governing Body.

The Council has completed a school by school assessment across the different types of schools it controls within the Borough. Judgements have been made to determine the arrangements in place and the accounting treatment of the land and building assets.

In 2014/15 the Council completed a school by school assessment across the different types of schools it controls within the Borough. Letters of confirmation were received from the Diocese of Manchester, Salford Diocese, Peel Brow Foundation School, Manchester Mesivta * and Bury and Whitefield Jewish Primary School that state that the schools occupy the school premises subject to the direction of the Trustees who own the land on which the schools are sited.

All decisions relating to land and buildings rest with the Trustees and there has been no assignment of rights to the property. No formal documentation exists, the schools occupy the premises under a "mere" license which has passed no interest to the school's governing body and which is terminable by the Trustees at any time. As such none of the schools are included on the Council's balance sheet.

(*The Department for Education (DfE) purchased the land occupied by Manchester Mesivta in January 2016 and the Trustees have a 125 year lease arrangement with the DfE. This does not affect the local authority accounts.)

All 28 community schools are owned by the Council and the land and buildings used by the schools are included on the Council's Balance Sheet. The Council recognises on its Balance Sheet the playing fields located within the boundaries of Voluntary Aided and Voluntary Controlled schools that remain in the control of the Council.

Academies are not considered to be maintained schools in the Council's control. The existing schools' land and building assets are transferred to academies on conversion date on a long-term lease of 125 years. The nominal value shown on the Council's Balance Sheet at year end reflects this arrangement.

For local authority maintained schools transferring to academy status an academy conversion accounting policy is in place that sets out the critical actions that must be completed in order for the school to transfer to an academy trust. This includes the treatment of transactions and balances of the schools being derecognised from the local authority single entity financial statements and the consideration of non-current assets.

Group Boundary

The Council carries out a complex range of activities, often in conjunction with external organisations. Where those organisations are in partnership with or under the ultimate control of the Council a judgement is made by management as to whether they are within the Council's group boundary. This judgement is made in line with the provisions set out in the Code and relevant accounting standards.

Those entities which fall within the boundary and are considered to be material are included in the Council's group accounts. Profit and loss, net worth, and the value of assets and liabilities are considered individually for each organisation against a materiality limit set by the Council. An entity could be material but still not consolidated if all of its business is with the Council and eliminated on consolidation – i.e. the consolidation would mean that the group accounts are not materially different to the single entity accounts. The assessment of materiality also considers qualitative factors such as whether the Council depends significantly on these entities for the continued provision of its statutory services or where there is concern about the level to which the Council is exposed to commercial risk.

The Council has assessed its group boundary for 2022/23 and has Subsidiaries and Joint Ventures who are considered to be material and will be consolidated into its group accounts.

Basis of Consolidation

The Council relationship with three organisations over which it has substantial control and influence that have been identified as Subsidiaries of Bury Council., of:

- Six Town Housing Ltd
- Bury MBC Townside Fields Ltd
- Persona Care and Support Ltd and Persona Group Ltd

Basis of consolidation, line-by-line consolidation

The two joint arrangements formed during 2022/23, whereby the Council has agreed to share joint control and has rights to the net assets of the arrangement, have been classed as a Joint Venture, of:

- Bury Bruntwood (Millgate) LLP
- The Prestwich Regeneration LLP

Basis of consolidation, equity method

Investment Properties

Investment properties have been assessed using the identifiable criteria under the international accounting standards and are being held for rental income or for capital appreciation. Properties have been assessed using these criteria, which is subject to interpretation to determine if there is an operational reason for holding the property such as regeneration.

Airport Investment

The Council has a 3.22% shareholding in Manchester Airport Holdings Limited (MAHL). Following the adoption of accounting standard IFRS 9 Financial Instruments which came into effect 1 April 2018, the default valuation method of the Council's equity holdings would be Fair Value through Profit and Loss. However, the shareholding is a strategic investment and not held for trading and therefore the Council has designated the investment as fair value through other comprehensive income. It is the Council's view that this is a reasonable and reliable accounting policy for the investment.

The Council has made an equity investment in Manchester Airport Car Park (1) Limited, (along with the other nine Greater Manchester District Councils). The Council's investment is to provide car parking facilities at Manchester Airport. The Council holds 3 Class C ordinary shares. The shareholding will be classed as a financial instrument and held at fair value on the Council's Balance Sheet. Under IFRS 9 the shareholding (investment) will be designated as a strategic investment and not held for trading therefore the Council has opted to designate it as fair value through Other Comprehensive Income. The decision to designate to fair value through Other Comprehensive Income is irrevocable and it is the Council view that this is a reasonable and reliable accounting policy for this investment.

Borrowing – Lender Option Borrower Option (LOBO) Loans

LOBO loans contain options which allow, on specific dates, the lender to alter the interest rate on the loan, and the Council then has an option to decide to either accept the new rate or repay the loan without penalty. These loans have a fixed rate of interest, but the options mean it could change over the life of the loan. This means that there cannot be any certainty as to whether the loans will be paid early, and therefore the Council has treated these loans as fixed loans which will run to their existing maturity. Therefore, we have taken the decision to disclose these as long-term liabilities.

04. 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. The assumptions and other sources of estimation uncertainty disclosed below relate to the estimates that require the Council's most difficult, subjective or complex judgements. As the number of variables and assumptions affecting the possible future resolution of the uncertainties increases, those judgements become more subjective and complex. As a result, balances cannot be determined with certainty and 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:

Property, Plant and Equipment – Depreciation

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. The current economic climate makes it uncertain that the authority will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.

Long-Term Assets – Manchester Airport Holdings Limited (MAHL)

The Authority's shareholding in the Manchester Airport Group is 3.22%. The asset is valued using the earnings based method resulting in the asset being valued at fair value rather than historic cost, therefore requiring an annual valuation. The valuation includes reviewing the financial performance, stability and business assumptions of the MAHL and is based on estimations and assumptions.

Pensions Liability

Estimation of the pensions net liability 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 authority with expert advice about the assumptions to be applied.

Provision for NNDR Appeals

Following the introduction of the Business Rate Retention Scheme in 2013/14 and the 100% GM Business Rates Pilot in 2017/18. The Council is responsible for a 99% share of the cost of successful appeals by businesses against their rateable value. A provision is recognised in the statement of accounts, that has been calculated using the latest Valuation Office (VAO) ratings list of ratings appeals and potential appeals against the analysis of successful appeals to date.

05. Material Items of Income and Expense

The Code requires individual items of income or expenditure that exceed materiality and have not been individually recorded on the face of the financial statements or in one of the other notes to the accounts to be disclosed in this note.

For the purposes of this note, the materiality is set at £5m.

There were no individual items above £5m which have not been individually disclosed.

06. Events After the Reporting Period

The statement of accounts was authorised for issue by the Executive Director of Finance on 31 May 2023. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2023, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

There are no adjusting events after the Balance Sheet date, in relation to the 2022/23 Statement of Accounts.

07. Expenditure and Income Analysed by Nature

2022/23													
	One Commissioning Organisation	Children & Young People	Corporate Core Services	Non-Service Specific	Business, Growth & Infrastructure	Operations	Housing General Fund	Other Income and Expenditure	Outturn as Reported to Cabinet	Adjustments to Management Reporting (EFA Note 1)	Net Expenditure Chargeable to the GF and HRA	Adjustments Between Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Fees & Charges	(£16,041)	(£1,100)	(£4,272)	(£1,636)	(£5,735)	(£16,314)	£0	£0	(£45,098)	(£36,456)	(£81,554)	£0	(£81,554)
Other Service Income	(£19,554)	(£1,848)	(£1,308)	(£139)	(£1,706)	(£1,805)	£0	£0	(£26,360)	(£11,948)	(£38,308)	£0	(£38,308)
Financing and Investment Income	£0	£0	£0	(£4,769)	£0	£0	£0	£0	(£4,769)	(£723)	(£5,492)	£0	(£5,492)
Government Grants and Contributions	(£919)	(£3,347)	(£310)	(£3,502)	(£2,850)	(£60)	(£32,943)	(£39,747)	(£83,678)	(£137,621)	(£221,299)	(£24,781)	(£246,080)
Income from Council Tax	£0	£0	(£517)	£0	£0	£0	£0	(£101,381)	(£101,898)	£0	(£101,898)	£3,540	(£98,358)
Income from Business Rates	£0	£0	(£29)	£0	£0	£0	£0	(£33,541)	(£33,570)	£0	(£33,570)	(£5,877)	(£39,447)
Total Income	(£36,514)	(£6,295)	(£6,437)	(£10,046)	(£10,291)	(£18,178)	(£32,943)	(£174,668)	(£295,373)	(£186,747)	(£482,120)	(£27,118)	(£509,238)
Employee Benefits Expenses	£19,344	£31,327	£26,655	(£13,112)	£4,906	£25,511	£0	£0	£94,630	£87,579	£182,209	£13,812	£196,021
Other Service Expenses	£97,392	£27,073	£8,220	£6,816	£5,311	£10,207	£32,568	£130	£187,717	£87,401	£275,118	£0	£275,118
Support Service Charges	£912	£2,408	(£9,296)	£762	£979	£3,429	£1,367	£0	£560	£380	£940	£0	£940
Depreciation, Amortisation, Revaluations and Impairment	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£27,378	£27,378
Capital Expenditure Financed from Revenue Balances	£0	£0	£0	£0	£0	£663	£0	£0	£663	£5,288	£5,951	(£5,952)	(£0)
Revenue Expenditure Funded from Capital Under Statute & De- minimis	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£1,412	£1,412
Financing and Investment Expenses	£0	£0	£1	£5,692	£0	£0	£0	£0	£5,693	£4,319	£10,012	£4,381	£14,393
Precepts and Levies	£0	£0	£0	£25,888	£0	£491	£0	£0	£26,379	£0	£26,379	£0	£26,379
Payments to Housing Capital Receipts Pool	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
(Gain) or Loss on Disposal of Non-Current Assets	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£1,459	£1,459
Posting of HRA Resources from Revenue to the MRR	£0	£0	£0	£0	£0	£0	£0	£0	£0	£7,012	£7,012	(£7,012)	£0
Total Expenditure	£117,647	£60,808	£25,580	£26,046	£11,195	£40,300	£33,935	£130	£315,642	£191,978	£507,620	£35,479	£543,099
Contributions to/from Reserves	(£1,800)	(£3,155)	(£1,038)	(£7,366)	£1,614	(£1,811)	£0	(£4,945)	(£18,500)	£18,500	£0	£0	£0
(Surplus) or Deficit on the Provision of Services	£79,333	£51,357	£18,106	£8,635	£2,519	£20,310	£992	(£179,483)	£1,768	£23,731	£25,500	£8,362	£33,861

2021/22													
	One Commissioning Organisation	Children & Young People	Corporate Core Services	Non-Service Specific	Business, Growth & Infrastructure	Operations	Housing General Fund	Other Income and Expenditure	Outturn as Reported to Cabinet	Adjustments to Management Reporting (EFA Note 1)	Net Expenditure Chargeable to the GF and HRA	Adjustments Between Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Fees & Charges	(£12,519)	(£1,216)	(£3,357)	(£566)	(£4,698)	(£13,470)	£0	£0	(£35,826)	(£35,088)	(£70,914)	£0	(£70,914)
Other Service Income	(£29,561)	(£3,825)	(£23,922)	(£2,618)	(£3,258)	(£22,110)	(£24)	£0	(£85,318)	£25,823	(£59,495)	£0	(£59,495)
Financing and Investment Income	£0	£0	£0	(£4,001)	£0	£0	£0	£0	(£4,001)	(£496)	(£4,497)	(£16,727)	(£21,224)
Government Grants and Contributions	(£6,921)	(£2,229)	(£778)	(£41,430)	(£764)	(£335)	(£33,938)	(£42,703)	(£129,098)	(£138,352)	(£267,450)	(£21,703)	(£289,153)
Income from Council Tax	£0	£0	(£640)	£0	£0	£0	£0	(£90,595)	(£91,235)	£0	(£91,235)	(£4,560)	(£95,795)
Income from Business Rates	£0	£0	(£39)	£0	£0	£0	£0	(£25,204)	(£25,243)	£0	(£25,243)	(£13,654)	(£38,897)
Total Income	(£49,001)	(£7,270)	(£28,736)	(£48,615)	(£8,720)	(£35,915)	(£33,962)	(£158,502)	(£370,721)	(£148,113)	(£518,834)	(£56,644)	(£575,478)
Employee Benefits Expenses	£17,746	£23,965	£22,559	(£18,347)	£5,607	£27,325	£0	£0	£78,855	£83,304	£162,159	£19,481	£181,640
Other Service Expenses	£109,545	£32,727	£21,045	£42,057	£6,441	£30,135	£35,274	£459	£277,683	£48,508	£326,191	£0	£326,191
Support Service Charges	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Depreciation, Amortisation, Revaluations and Impairment	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£2,885	£2,885
Capital Expenditure Financed from Revenue Balances	£0	£0	£0	£8	£99	£73	£0	£0	£180	£5,141	£5,321	(£5,321)	£0
Revenue Expenditure Funded from Capital Under Statute & De- minimis	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£4,586	£4,586
Financing and Investment Expenses	£0	£0	£14	£10,185	£0	£0	£0	£0	£10,199	£4,455	£14,654	£21,458	£36,112
Precepts and Levies	£0	£0	£0	£25,755	£0	£465	£0	£0	£26,220	£0	£26,220	£0	£26,220
Payments to Housing Capital Receipts Pool	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£1,439	£1,439
(Gain) or Loss on Disposal of Non-Current Assets	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£310	£310
Posting of HRA Resources from Revenue to the MRR	£0	£0	£0	£0	£0	£0	£0	£0	£0	£7,389	£7,389	(£7,389)	£0
Total Expenditure	£127,291	£56,692	£43,618	£59,658	£12,147	£57,998	£35,274	£459	£393,137	£148,797	£541,934	£37,449	£579,383
Contributions to/from Reserves	£1,900	(£1,368)	(£1,489)	(£7,108)	£253	(£795)	£0	(£13,809)	(£22,416)	£22,416	(£0)	£0	(£0)
(Surplus) or Deficit on the Provision of Services	£80,190	£48,054	£13,393	£3,935	£3,680	£21,288	£1,312	(£171,852)	£0	£23,100	£23,100	(£19,195)	£3,905

08. Adjustments between Accounting Basis and Funding Basis Under Regulations

This note details the adjustments that are made to the Total Comprehensive Income and Expenditure recognised by the Council in the year, in accordance with proper accounting practice to arrive at the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

The following sets out a description of the reserves that the adjustments are made against:

General Fund balance

The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund balance, which is not necessarily in accordance with proper accounting practice. The General Fund balance therefore summarises the resources that the council is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the council is required to recover) at the end of the financial year. [For housing authorities however, the balance is not available to be applied to funding HRA services.]

Housing Revenue Account balance

The HRA balance reflects the statutory obligation to maintain a revenue account for local authority council housing provision in accordance with Part VI of the Local Government and Housing Act 1989. It contains the balance of income and expenditure as defined by the 1989 Act that is available to fund future expenditure in connection with the council's landlord function or (where in deficit) that is required to be recovered from tenants in future years.

Major Repairs Reserve

The authority is required to maintain the major repairs reserve, which controls an element of the capital resources limited to being used on capital expenditure on HRA assets or the financing of historical capital expenditure by the HRA. The balance shows the capital resources that have yet to be applied at the year-end.

Capital Receipts Reserve

The capital receipts reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Capital Grants Unapplied

The capital grants unapplied account (reserve) holds the grants and contributions received towards capital projects for which the council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

2022/23	Revenue Reserves		Capital Reserves			Total Usable Reserves	Total Unusable Reserves	Total Authority Reserves
	General Fund Balance	Housing Revenue Account	Major Repairs Reserve	Capital Receipts Reserve	Capital Grants Unapplied			
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
ADJUSTMENTS TO THE REVENUE RESOURCES								
Pensions Costs (transferred to (or from) the Pension Reserve)	£20,366	£0	£0	£0	£0	£20,366	(£20,366)	£0
Financial Instruments (transferred to the Financial Instruments Adjustments Account)	(£2)	£0	£0	£0	£0	(£2)	£2	£0
Council Tax & NDR (transfers to (or from) the Collection Fund Adjustment Account)	(£2,337)	£0	£0	£0	£0	(£2,337)	£2,337	£0
Holiday Pay (transferred to the Accumulated Absences Reserve)	(£496)	£0	£0	£0	£0	(£496)	£496	£0
DSG Deficits (transferred to the DSG Adjustment Account)	(£2,873)	£0	£0	£0	£0	(£2,873)	£2,873	£0
Reversal of Entries Included in the Surplus or Deficit on the Provision of Services in Relation to Capital Expenditure (these items are charged to the Capital Adjustment Account or Capital Grants Unapplied)	£6,701	£5,817	£0	£0	£6,954	£19,472	(£19,472)	£0
TOTAL ADJUSTMENTS TO THE REVENUE RESOURCES	£21,359	£5,817	£0	£0	£6,954	£34,131	(£34,131)	£0
ADJUSTMENTS BETWEEN REVENUE & CAPITAL RESOURCES								
Transfer of Non-Current Asset Sale Proceeds from Revenue to the Capital Receipts Reserve	(£876)	(£3,377)	£0	£4,252	£0	£0	£0	£0
Administrative Costs of Non-Current Asset Disposals (funded by a contribution from the Capital Receipts Reserve)	£0	£75	£0	(£75)	£0	£0	£0	£0
Payments to the Government Housing Receipts Pool (funded by a transfer from the Capital Receipts Reserve)	£0	£0	£0	£0	£0	£0	£0	£0
Posting of HRA Resources from Revenue to the Major Repairs Reserve	£0	(£7,012)	£7,012	£0	£0	£0	£0	£0
Statutory Provision for the Repayment of Debt transfer from the Capital Adjustment Account)	(£1,675)	£0	£0	£0	£0	(£1,675)	£1,675	£0
Capital Expenditure Financed from Revenue Balances (transfer to the Capital Adjustment Account)	(£706)	(£5,246)	£0	£0	£0	(£5,952)	£5,952	£0
TOTAL ADJUSTMENTS BETWEEN REVENUE & CAPITAL RESOURCES	(£3,257)	(£15,559)	£7,012	£4,177	£0	(£7,627)	£7,627	£0
ADJUSTMENTS TO CAPITAL RESOURCES								
Use of the Capital Receipts Reserve to Finance New Capital Expenditure	£0	£0	£0	(£254)	£0	(£254)	£254	£0
Use of the Major Repairs Reserve to Finance New Capital Expenditure	£0	£0	(£7,012)	£0	£0	(£7,012)	£7,012	£0
Application of Unapplied Capital Grants to Finance New Capital Expenditure	£0	£0	£0	£0	(£2,805)	(£2,805)	£2,805	£0
Cash Payments in Relation to Deferred Capital Receipts	£0	£0	£0	£0	£0	£0	£0	£0
Cash Payments in Relation to Long-Term Debtor Loans	£0	£0	£0	£0	£0	£0	£0	£0
TOTAL ADJUSTMENTS TO CAPITAL RESOURCES	£0	£0	(£7,012)	(£254)	(£2,805)	(£10,071)	£10,071	£0
TOTAL ADJUSTMENTS	£18,103	(£9,741)	£0	£3,923	£4,149	£16,433	(£16,433)	£0

2021/22	Revenue Reserves		Capital Reserves			Total Usable Reserves	Total Unusable Reserves	Total Authority Reserves
	General Fund Balance	Housing Revenue Account	Major Repairs Reserve	Capital Receipts Reserve	Capital Grants Unapplied			
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
ADJUSTMENTS TO THE REVENUE RESOURCES								
Pensions Costs (transferred to (or from) the Pension Reserve)	£28,177	£0	£0	£0	£0	£28,177	(£28,177)	£0
Financial Instruments (transferred to the Financial Instruments Adjustments Account)	(£2)	£0	£0	£0	£0	(£2)	£2	£0
Council Tax & NDR (transfers to (or from) the Collection Fund Adjustment Account)	(£18,214)	£0	£0	£0	£0	(£18,214)	£18,214	£0
Holiday Pay (transferred to the Accumulated Absences Reserve)	(£1,362)	£0	£0	£0	£0	(£1,362)	£1,362	£0
DSG Deficits (transferred to the DSG Adjustment Account)	£66	£0	£0	£0	£0	£66	(£66)	£0
Reversal of Entries Included in the Surplus or Deficit on the Provision of Services in Relation to Capital Expenditure (these items are charged to the Capital Adjustment Account or Capital Grants Unapplied)	(£5,414)	(£4,445)	£0	£0	£8,293	(£1,566)	£1,566	(£0)
TOTAL ADJUSTMENTS TO THE REVENUE RESOURCES	£3,251	(£4,445)	£0	£0	£8,293	£7,100	(£7,100)	£0
ADJUSTMENTS BETWEEN REVENUE & CAPITAL RESOURCES								
Transfer of Non-Current Asset Sale Proceeds from Revenue to the Capital Receipts Reserve	(£1,644)	(£2,545)	£0	£4,189	£0	£0	£0	£0
Administrative Costs of Non-Current Asset Disposals (funded by a contribution from the Capital Receipts Reserve)	£0	£60	£0	(£60)	£0	£0	£0	£0
Payments to the Government Housing Receipts Pool (funded by a transfer from the Capital Receipts Reserve)	£1,439	£0	£0	(£1,439)	£0	£0	£0	£0
Posting of HRA Resources from Revenue to the Major Repairs Reserve	£0	(£7,389)	£7,389	£0	£0	£0	£0	£0
Statutory Provision for the Repayment of Debt transfer from the Capital Adjustment Account)	(£2,601)	£0	£0	£0	£0	(£2,601)	£2,601	£0
Capital Expenditure Financed from Revenue Balances (transfer to the Capital Adjustment Account)	(£214)	(£5,107)	£0	£0	£0	(£5,321)	£5,321	£0
TOTAL ADJUSTMENTS BETWEEN REVENUE & CAPITAL RESOURCES	(£3,020)	(£14,982)	£7,389	£2,690	£0	(£7,922)	£7,922	£0
ADJUSTMENTS TO CAPITAL RESOURCES								
Use of the Capital Receipts Reserve to Finance New Capital Expenditure	£0	£0	£0	(£613)	£0	(£613)	£613	£0
Use of the Major Repairs Reserve to Finance New Capital Expenditure	£0	£0	(£7,404)	£0	£0	(£7,404)	£7,404	£0
Application of Unapplied Capital Grants to Finance New Capital Expenditure	£0	£0	£0	£0	(£1,782)	(£1,782)	£1,782	£0
Cash Payments in Relation to Deferred Capital Receipts	£0	£0	£0	£0	£0	£0	£0	£0
Cash Payments in Relation to Long-Term Debtor Loans	£0	£0	£0	£0	£0	£0	£0	£0
TOTAL ADJUSTMENTS TO CAPITAL RESOURCES	£0	£0	(£7,404)	(£613)	(£1,782)	(£9,798)	£9,798	£0
TOTAL ADJUSTMENTS	£231	(£19,427)	(£14)	£2,078	£6,511	(£10,621)	£10,621	£0

09. Movement in Earmarked Reserves

This note sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure in 2022/23.

General Fund Earmarked Reserves are held for the following purposes:

Management of Financial Risk: Corporate - These are reserves held to support specific outcomes across the council and are presented on a thematic basis relating to current priorities. Chief Executive approval is required for use of the reserve unless otherwise agreed.

Management of Financial Risk: Directorate - This reserve is utilised to manage in-year financial variations such as fluctuations in demand or any other financial risk.

Covid-19 Related Grants - holds the general fund grants that have been received and are carried forward due to permitted use to fund future Covid pressures

Volatility and Fiscal Mitigation - This reserve is utilised to manage areas of spending where costs in any one year are variable and unpredictable but where annual fluctuations are averaged over the medium term.

Earmarked External Funding - This reserve is utilised to manage external funding received for specific purposes where the decisions on how the funding is used is not wholly within the control of the council.
Investment Funds - This reserve is utilised to provide pump-priming investment to deliver the Council's key objectives.

Section 106 Commuted Sums - This reserve represents money received as part of Section 106 agreements from Housing and other developers. The reserve is earmarked and is not available for general use.

Manchester Airport Share Reserve – part of this usable reserve has been re-allocated to an unusable reserve - see note 26.

Dedicated Schools Grant – This includes the balances held by schools under the scheme of delegation.

The following table and note explains the amount and purpose of the earmarked reserves held by the Council.

Usable Reserves	2021/22 £000s	2022/23 £000s
General Fund	(£24,468)	(£22,701)
Earmarked General Fund Reserve *	(£109,773)	(£86,708)
Housing Revenue Account	(£9,843)	(£9,176)
Major Repairs Reserve	£0	£0
Capital Receipts Unapplied	(£6,967)	(£10,890)
Capital Grants Unapplied	(£16,119)	(£20,268)
Balance at 31 March	(£167,170)	(£149,742)

Earmarked Reserves	Balance at 31 March 2021 £000s	Transfers Between 2021/22 £000s	Transfers Out 2021/22 £000s	Transfers In 2021/22 £000s	Balance at 31 March 2022 £000s	Transfers Between 2022/23 £000s	Transfers Out 2022/23 £000s	Transfers In 2022/23 £000s	Balance at 31 March 2023 £000s
- Community Safety	(£49)	£0	£0	£0	(£49)	(£493)	£469	(£524)	(£598)
- Climate Change	(£150)	£0	£150	£0	£0	£0	£0	£0	£0
- Culture	(£84)	£0	£57	£0	(£27)	£0	£0	£0	(£27)
- Corporate	(£2,024)	£0	£167	£0	(£1,857)	£469	£0	(£450)	(£1,838)
- Adults Social Care Transformation	(£1,247)	£0	£0	(£3,222)	(£4,469)	£100	£776	(£1,150)	(£4,743)
- Childrens Social Care Transformation	(£339)	£0	£0	(£77)	(£416)	£0	£162	(£142)	(£396)
- Homelessness	(£1,037)	£0	£50	£0	(£987)	£0	£0	£0	(£987)
- Housing	(£123)	£0	£0	£0	(£123)	£0	£0	£0	(£123)
- Skills	(£2,704)	£0	£458	£0	(£2,246)	£795	£1,139	£0	(£312)
- ICT	(£950)	£0	£0	(£251)	(£1,201)	£300	£140	(£55)	(£816)
- Council Transformation	(£5,305)	£0	£0	(£1,118)	(£6,423)	£1,377	£1,561	(£167)	(£3,653)
Management of Financial Risk - Corporate	(£14,012)	£0	£882	(£4,668)	(£17,798)	£2,548	£4,247	(£2,488)	(£13,491)
Management of Financial Risk - Directorate	(£3,512)	£0	£0	(£5,745)	(£9,257)	£3,021	£3,893	(£127)	(£2,470)
COVID-19 Related Grants	(£10,523)	£0	£5,832	£0	(£4,691)	£1,364	£1,386	(£15)	(£1,956)
Volatility and Fiscal Mitigation	(£37,096)	£0	£0	(£579)	(£37,675)	(£8,496)	£16,645	(£10,218)	(£39,744)
Earmarked External Funding	(£39,787)	£0	£20,360	£0	(£19,427)	£1,493	£12,599	(£5,273)	(£10,608)
Investment Funds	(£3,306)	£0	£0	(£33)	(£3,339)	£70	£92	(£23)	(£3,200)
Earmarked Balances Sub-Total	(£108,236)	£0	£27,074	(£11,025)	(£92,187)	£0	£38,861	(£18,143)	(£71,469)
Section 106 Commuted Sums	(£4,286)	£0	£58	£0	(£4,228)	£0	£352	(£1,684)	(£5,559)
Schools Reserves	(£8,846)	£0	£0	£0	(£8,846)	£0	£8,358	(£4,681)	(£5,168)
Manchester Airport Share Reserve	(£4,512)	£0	£0	£0	(£4,512)	£0	£0	£0	(£4,512)
Total Earmarked Reserves	(£125,880)	£0	£27,132	(£11,025)	(£109,773)	£0	£47,572	(£24,507)	(£86,708)

10. Other Operating Expenditure

This note provides an analysis of other operating expenditure within the Comprehensive Income and Expenditure Statement.

Other Operating Expenditure	2021/22 £000s	2022/23 £000s
Levies	£26,219	£26,379
Payments to the Government Housing Capital Receipts Pool	£1,440	£0
(Gain)/Loss on Disposal of Non-Current (Fixed) Assets	£310	£1,459
Total	£27,969	£27,838

11. Financing and Investment Income and Expenditure

This note provides an analysis of financing and investment income and expenditure within the Comprehensive Income and Expenditure Statement.

Financing and Investment Income and Expenditure	2021/22 £000s	2022/23 £000s
Interest Payable and Similar Charges	£7,596	£8,281
Net Interest on the Net Defined Benefit Liability (Asset)	£7,334	£6,058
Interest Receivable and Similar Income	(£4,021)	(£4,991)
Income and Expenditure in Relation to Investment Properties and Changes in their Fair Value	(£522)	(£2,147)
Total	£10,387	£7,201

12. Taxation and Non-Specific Grant Income

This note provides an analysis of taxation and non-specific grant income within the Comprehensive Income and Expenditure Statement.

Taxation and Non-Specific Grant Income	2021/22 £000s	2022/23 £000s
Council Tax Income	(£95,807)	(£98,358)
Non-Domestic Rates Income and Expenditure	(£59,818)	(£59,018)
Non-Ringfenced Government Grants	(£21,779)	(£20,176)
Capital Grants and Contributions	(£21,769)	(£21,908)
Total	(£199,173)	(£199,460)

13. Property, Plant and Equipment

Depreciation

The Council carried out depreciation on a straight-line basis of the estimated useful life of the asset which is reviewed as part of the asset revaluing process. The following useful asset lives and depreciation rates have been used in the calculation of depreciation:

- Land - is not depreciated
- Council Dwellings – Componentised *
- Other Land & Buildings – as estimated by the valuer
- Vehicles, Plant, Furniture & Equipment – estimated by a suitably qualified officer
- Infrastructure:
 - Roads – 25 Years
 - Bridges – 80 Years
 - Street Furniture – 30 Years
 - Street Lighting – 40 Years
 - Footways & Cycle Tracks – 25 Years

*Council Dwellings are valued on a beacon basis, in order to ensure that the depreciation is not materially misstated the beacon lives are componentised to reflect the different rates at which the components will be consumed. For 2022/23 the estimated component lives are as follows:

- Main Structure – 50 Years
- Roof – 35 Years
- M&E – 15 Years
- Other Works – 15 Years

Revaluations

The Council undertakes a rolling programme of revaluating assets no more than every 5 years, which is carried out by revaluing 20% of the Council's assets each year. In 2019/20 the Council undertook a full revaluation of assets, which was done partly by external valuers Align (80%) with the remaining 20% carried out by our in-house valuers. In 2020/21 the Council returned to its rolling programme and this has continued in 2022/23.

In 2022/23, all revaluations were carried out externally. The external companies used were Align, who revalued all investment properties and the Property, Plant and Equipment, with the exception of those Property, Plant and Equipment falling managed within the Housing Revenue Account – which was revalued by Carter Jonas.

Fair Values have been calculated in line with the CIPFA Code of Practice and the RICS Valuation standards. This includes reviewing comparable valuations reviewing property of an equivalent nature and location. The effective date of all the 2022/23 revaluations was 31 March 2023.

For the purposes of valuation materiality is set at £50k. However, in order to ensure that any assets below the materiality level which may have moved above the materiality threshold in valuation was captured, all assets above £40k were included in the valuations. There are some assets held at depreciated historical cost in the categories revalued. This is because they were either below the de-minimis level for revaluation or because purchases of new assets and additions to assets, which were below de-minimis during 2022/23, means that they have yet to be revalued. This will take place in subsequent years.

Revaluations 2022/23	Council Dwellings	Other Land & Buildings	Vehicles, Plant & Equipment	Community Assets	Surplus Assets	Assets Under Construction	PPE Note Total	Infrastructure Assets	PPE Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Depreciated Historical Cost	£45	£0	£9,914	£4,649	£0	£18,250	£32,858	£55,660	£88,518
Valued at Current Value:									
31.03.2022	£298,443	£209,632	£0	£0	£8,805	£0	£516,880	£0	£516,880
31.03.2021	£0	£5,602	£0	£0	£5,955	£0	£11,557	£0	£11,557
31.03.2020	£1,915	£7,165	£0	£0	£2,650	£0	£11,730	£0	£11,730
31.03.2019	£1,042	£8,567	£0	£1,681	£7,023	£0	£18,313	£0	£18,313
31.03.2018	£58	£509	£0	£0	£60	£0	£627	£0	£627
	£301,503	£231,475	£9,914	£6,330	£24,493	£18,250	£591,965	£55,660	£647,625

Capital Commitments

At 31 March 2023, the Council has entered into a number of contracts for the construction or enhancement of property, plant and equipment in 2023/24 and future years budgeted to cost £10.069m. Similar commitments at 31 March 2022 were £7.683m. The major commitments are:

Scheme	£000s
Schools	£3,192
Housing	£3,076
Vehicle Replacement Strategy	£2,352
Bridges	£594
Street Lighting	£493
Regeneration	£360
Total	£10,069

The actual level of expenditure on any of the uncommitted schemes for future years will depend upon the availability of capital financing resources.

Movements on Balances

Property, Plant and Equipment Note 2022/23	Council Dwellings £000s	Other Land & Buildings £000s	Vehicles, Plant & Equipment £000s	Community Assets £000s	Surplus Assets £000s	Assets Under Construction £000s	TOTAL £000s
Certified Value as at 1 April 2022	£288,068	£232,543	£23,476	£6,523	£22,206	£8,884	£581,700
Additions & Acquisitions	£13,297	£5,854	£2,526	£1,533	£13	£12,722	£35,945
Revaluations Recognised in the Revaluation Reserve	£2,780	£26,930	£0	£0	£4,456	£0	£34,166
Revaluations Recognised in the (Surplus)/Deficit on the Provision of Services	£0	(£16,507)	£0	£0	(£1,104)	£0	(£17,611)
Disposals	(£2,642)	(£2,299)	£0	£0	(£676)	£0	(£5,617)
Reclassifications & Asset Transfers	£0	£0	£70	£420	£373	(£3,357)	(£2,494)
Other Movements in Cost or Valuation	£0	£0	£0	£0	£0	£0	£0
Movement in Cost/Valuation	£13,435	£13,978	£2,596	£1,953	£3,062	£9,365	£44,389
Amount as at 31 March 2023	£301,503	£246,521	£26,072	£8,476	£25,268	£18,249	£626,089
Accumulated Depreciation & Impairments as at 1 April 2022	(£581)	(£18,736)	(£14,605)	(£2,146)	(£775)	£0	(£36,843)
Depreciation charged In-year	(£7,012)	(£4,462)	(£1,553)	£0	£0	£0	(£13,027)
Depreciation written out to the Revaluation Reserve	£3,756	£6,638	£0	£0	£0	£0	£10,394
Depreciation written out to (Surplus)/Deficit on Provision of Services	£3,762	£1,415	£0	£0	£0	£0	£5,177
Impairments Recognised in the Revaluation Reserve	£0	£0	£0	£0	£0	£0	£0
Impairments Recognised in the (Surplus)/Deficit on the Provision of Services	£0	£0	£0	£0	£0	£0	£0
Depreciation Written out on Disposal	£75	£99	£0	£0	£0	£0	£174
Reclassifications & Asset Transfers	£0	£0	£0	£0	£0	£0	£0
Other Movements in Depreciation and Impairment	£0	£0	£0	£0	£0	£0	£0
Movement in Depreciation & Impairment	£581	£3,690	(£1,553)	£0	£0	£0	£2,718
Amount as at 31 March 2023	£0	(£15,046)	(£16,158)	(£2,146)	(£775)	£0	(£34,125)
Opening NBV	£287,487	£213,807	£8,871	£4,377	£21,431	£8,884	£544,857
Total Movement	£14,016	£17,668	£1,043	£1,953	£3,062	£9,365	£47,107
Closing NBV	£301,503	£231,475	£9,914	£6,330	£24,493	£18,249	£591,964

The following table is provided for comparative purposes:

Property, Plant and Equipment Note 2021/22	Council Dwellings £000s	Other Land & Buildings £000s	Vehicles, Plant & Equipment £000s	Community Assets £000s	Surplus Assets £000s	Assets Under Construction £000s	TOTAL £000s
Certified Value as at 1 April 2021	£281,463	£226,342	£19,502	£5,456	£19,954	£4,957	£557,674
Additions & Acquisitions	£12,648	£10,503	£3,974	£1,067	£25	£5,398	£33,615
Revaluations Recognised in the Revaluation Reserve	£3,651	£290	£0	£0	£2,251	£0	£6,192
Revaluations Recognised in the (Surplus)/Deficit on the Provision of Services	£18,875	(£2,026)	£0	£0	(£24)	£0	£16,825
Disposals	(£1,938)	(£2,562)	£0	£0	£0	(£1,201)	(£5,701)
Reclassifications & Asset Transfers	£0	£0	£0	£0	£0	£0	£0
Other Movements in Cost or Valuation	(£26,631)	(£4)	£0	£0	£0	(£270)	(£26,905)
Movement in Cost/Valuation	£6,605	£6,201	£3,974	£1,067	£2,252	£3,927	£24,026
Amount as at 31 March 2022	£288,068	£232,543	£23,476	£6,523	£22,206	£8,884	£581,700
Accumulated Depreciation & Impairments as at 1 April 2021	(£14,714)	(£17,190)	(£13,556)	(£2,146)	(£775)	(£270)	(£48,651)
Depreciation charged In-year	(£7,334)	(£4,177)	(£1,049)	£0	£0	£0	(£12,560)
Depreciation written out to the Revaluation Reserve	£7,309	£2,076	£0	£0	£0	£0	£9,385
Depreciation written out to (Surplus)/Deficit on Provision of Services	£0	£539	£0	£0	£0	£0	£539
Impairments Recognised in the Revaluation Reserve	(£7,309)	£0	£0	£0	£0	£0	(£7,309)
Impairments Recognised in the (Surplus)/Deficit on the Provision of Services	(£5,209)	£0	£0	£0	£0	£0	(£5,209)
Depreciation Written out on Disposal	£45	£12	£0	£0	£0	£0	£57
Reclassifications & Asset Transfers	£0	£0	£0	£0	£0	£0	£0
Other Movements in Depreciation and Impairment	£26,631	£4	£0	£0	£0	£270	£26,905
Movement in Depreciation & Impairment	£14,133	(£1,546)	(£1,049)	£0	£0	£270	£11,808
Amount as at 31 March 2022	(£581)	(£18,736)	(£14,605)	(£2,146)	(£775)	£0	(£36,843)
Opening NBV	£266,749	£209,152	£5,946	£3,310	£19,179	£4,687	£509,023
Total Movement	£20,738	£4,655	£2,925	£1,067	£2,252	£4,197	£35,834
Closing NBV	£287,487	£213,807	£8,871	£4,377	£21,431	£8,884	£544,857

14. INFRASTRUCTURE ASSETS

Movements on balances

In accordance with the temporary relief offered by the Update to the Code on Infrastructure Assets this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements.

The authority has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

Infrastructure Assets	2021/22 £000s	2022/23 £000s
Certified Valuation or Cost at 1 April	£39,351	£45,022
Additions in Year	£7,779	£10,823
Reclassifications & Asset Transfers	£0	£2,464
Depreciation charged in year	(£2,108)	(£2,649)
As at 31st March	£45,022	£55,660

As infrastructure assets are not being disclosed on the face of the Balance Sheet a reconciling note has been prepared:

PPE Assets	2021/22 £000s	2022/23 £000s
Infrastructure Assets	£45,022	£55,660
Other PPE Assets	£544,857	£591,964
Total PPE Assets	£589,879	£647,624

The authority has determined in accordance with Regulation [30M England] of the Local Authorities (Capital Finance and Accounting) (England/Wales) (Amendment) Regulations 2022 that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure is nil.

15. Heritage Assets

Reconciliation of the carrying value of heritage assets held by the authority.

Heritage Assets	Artifacts and Gifts £000s	Pictures £000s	Civic Regalia £000s	Total Assets £000s
Cost or Valuation 1 April 2021	£31	£25,693	£629	£26,353
Additions	£0	£0	£0	£0
Revaluation Gains/(Losses) Recognised in the Revaluation Reserve	£0	£0	£0	£0
31 March 2022	£31	£25,693	£629	£26,353
Cost or Valuation 1 April 2022	£31	£25,693	£629	£26,353
Additions	£0	£0	£0	£0
Revaluation Gains/(Losses) Recognised in the Revaluation Reserve	£0	£0	£0	£0
31 March 2023	£31	£25,693	£629	£26,353

Heritage assets are defined as assets intended to be preserved in trust for future generations because of their cultural, environmental or historical association. They are held by the council in pursuit of our overall objectives in relation to the maintenance of our local heritage. These include Civic Regalia, Artefacts and various gifts & bequests some of which are held in the Museum and Art Gallery. These are recognised and measured, including treatment of revaluation gains and losses, in accordance with the Council's accounting policies on Property Plant and Equipment.

Heritage assets are deemed to have an indefinite life, therefore are not depreciated as the charge made would be minimal and immaterial. Nevertheless, where there is evidence of physical deterioration to a Heritage Asset, or doubts arise to its authenticity, the value of the asset has to be reviewed. Any impairment is recognised and measured in accordance with the Council's general policies on impairment.

Further Information On The Collections

The two principal collections of heritage assets held in Bury Art Museum & Sculpture Centre are:

Fine and Decorative Art – this collection consists of over 1,800 artworks including oil paintings, watercolours, prints, sculpture and other mixed media works. Of particular interest and value are the oil painting, 'Calais Sands: Poissards Gathering Bait' and 4 watercolours by J.M.W. Turner. The collection also has significant paintings by Clausen, Landseer, Riviere and Lady Butler. A selection of works are displayed at Bury Art Museum & Sculpture Centre and works not on display are kept in store and available to view by appointment. Images and information about paintings is available to view on the Art UK searchable website (<https://www.artuk.org/visit/venues/bury-art-museum-6547>) and also our own website (<https://www.buryartmuseum.co.uk>)

Social History – This collection consists of around 60,000 items and is of significant value as material evidence of the social history of Bury and its people. The collections relate to the area's archaeology, industrial and domestic history and include ephemera representing the everyday life of the Borough. The founding collection included natural history, geology, and ethnography. Some objects from the collections are of significant historical importance, such as a Thomas Lees long case clock, George III Spade Guineas, Sir Robert Peel's cradle, Bronze Age urns, a Roman bracelet and coins, 2 Celtic heads, Hutchinson family furniture, African ivories, Wedgwood vases and one hundred pieces of Pilkington's Royal Lancastrian pottery.

Civic Regalia – forms part of the Social History Collection and is stored in the Strong Room.

Other Heritage Assets – Additionally, the Authority has in its care three Historic Buildings that are classed as Heritage Assets these carried in the accounts at a nominal value only and are named as the Radcliffe Tower in Radcliffe, The Dungeon in Tottington and Rodger Worthington's Grave in Hawkshaw.

16. Investment Properties

The following table identifies items of income and expense that have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Items accounted for in the Financing & Investment Income & Expenditure [CIES]	2021/22 £000s	2022/23 £000s
Rental Income from Investment Property	(£382)	(£501)
Direct Operating Expenses Arising from Investment Property	£152	£54
Movement in Fair Value of Investment Properties	(£292)	(£1,700)
Net (Gain)/Loss	(£522)	(£2,147)

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on the Council's right to the remittance of income and the proceeds of disposal. The Council has no contractual obligations to purchase, construct or develop investment property or to repair, maintain or enhance it.

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

Movement in Fair Value of Investment Properties	2021/22 £000s	2022/23 £000s
Balance at 1 April	£16,708	£17,005
Additions in Year	£5	£0
Disposals in Year	£0	£0
Reclassifications of Assets	£0	£0
Net Gain (Loss) from fair value adjustment	£292	£1,700
Balance At 31 March	£17,005	£18,705

Fair Value Hierarchy

All of the Council's investment properties have been value assessed as Level 2 on the fair value hierarchy for valuation purposes (please refer to accounting policy – fair value measurement for more information) Valuation Techniques Used to Determine Level 2 Fair Values for Investment Properties.

The fair value of investment properties has been measured using a market approach, which takes into account quoted prices for similar assets in active markets, existing lease terms and rentals, research into market evidence including market rentals and yields, the covenant strength for existing tenants, and data and market knowledge gained in managing the Council's Investment Asset portfolio. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised as level 2 on the fair value hierarchy. There has been no change in the valuation techniques used during the year for investment properties.

Highest and Best Use

In Council's estimates the fair value of our investment properties by taking the highest and best use value of the asset at the balance sheet date.

17. Intangible Assets

The Council regards the cost of purchased software as an intangible asset, which is carried at the historical cost of purchase and amortised over its expected useful life.

Economic lives for the purposes of amortisation have been assessed at 5 and 10 years as per the Council's accounting policies.

The movement on intangible asset balances during the year is as follows:

Intangible Assets	2021/22 Software Licences £000's	2022/23 Software Licences £000's
Gross Carrying Amount	£8,789	£9,741
Accumulated Amortisation	(£5,518)	(£6,197)
Net Carrying Amount at 1 April	£3,271	£3,544
Additions	£952	£205
Amortisation in Year	(£679)	(£971)
Net Carrying Amount at 31 March	£3,544	£2,778

Comprising:		
Gross Carrying Amount	£9,741	£9,946
Accumulated Amortisation	(£6,197)	(£7,168)
Net Carrying Amount at 31 March	£3,544	£2,778

18. Assets Held for Sale

This note contains assets that are held for sale and are shown as non-current assets on the balance sheet as they are expected to be sold within 1 year. In accordance with the CIPFA Code of Practice, these assets are available for immediate sale in their present condition and are being actively marketed for sale.

Assets Held for Sale	2021/22 £000s	2022/23 £000s
Balance at 1 April	£622	£624
Assets Newly Classified as Held for Sale	£0	£30
Additions	£0	£8
Revaluations Recognised in the Revaluation Reserve	£0	£813
Revaluations Recognised in CIES	£0	£3
Assets Sold	£0	(£193)
Assets Declassified as Held for Sale	£0	£0
Other Movements	£2	£0
Movements in Year	£2	£661
Balance as 31 March	£624	£1,285

19. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity. Non exchange transactions, such as those relating to taxes and government grants, do not give rise to financial instruments.

Categories of Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet:

Financial Assets

Financial Assets	Non-Current				Current				Total	
	Investments		Debtors		Investments		Debtors			
	31 March 2022 £000s	31 March 2023 £000s	31 March 2022 £000s	31 March 2023 £000s	31 March 2022 £000s	31 March 2023 £000s	31 March 2022 £000s	31 March 2023 £000s	31 March 2022 £000s	31 March 2023 £000s
Amortised Cost										
Long-Term Debtor Loans	£0	£0	£47,162	£69,188	£0	£0	£0	£0	£47,162	£69,188
Investments	£0	£0	£0	£0	£5,504	£469	£0	£0	£5,504	£469
Deposits (Short Maturity) and Bank Accounts	£0	£0	£0	£0	£34,713	(£5,813)	£0	£0	£34,713	(£5,813)
Short-Term Debtors (Financial Assets)	£0	£0	£0	£0	£0	£0	£33,626	£31,766	£33,626	£31,766
Amortised Cost Total	£0	£0	£47,162	£69,188	£40,217	(£5,344)	£33,626	£31,766	£121,005	£95,610
Fair Value through Other Comprehensive Income - Designated Equity Instruments	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Fair Value through Other Comprehensive Income - Other	£23,400	£24,400	£0	£0	£0	£0	£0	£0	£23,400	£24,400
Total Financial Assets	£23,400	£24,400	£47,162	£69,188	£40,217	(£5,344)	£33,626	£31,766	£144,405	£120,010
Short-Term Debtors (Non-Financial Assets)	£0	£0	£0	£0	£0	£0	£18,837	£22,271	£18,837	£22,271
Total	£23,400	£24,400	£47,162	£69,188	£40,217	(£5,344)	£52,463	£54,037	£163,242	£142,281

Financial Liabilities

Financial Liabilities	Non-Current				Current				Total	
	Borrowings		Creditors		Borrowings		Creditors			
	31 March 2022 £000s	31 March 2023 £000s	31 March 2022 £000s	31 March 2023 £000s	31 March 2022 £000s	31 March 2023 £000s	31 March 2022 £000s	31 March 2023 £000s	31 March 2022 £000s	31 March 2023 £000s
Amortised Cost										
Borrowings - Temporary Loans	£0	£0	£0	£0	£0	(£17,103)	£0	£0	£0	(£17,103)
Borrowings - PWLB Loans	(£162,333)	(£159,141)	£0	£0	(£3,925)	(£3,864)	£0	£0	(£166,258)	(£163,005)
Borrowings - LOBO/Market Loans	(£45,567)	(£45,565)	£0	£0	(£10,419)	(£19,622)	£0	£0	(£55,986)	(£65,187)
Borrowings - Local Bonds	(£3)	(£3)	£0	£0	£0	£0	£0	£0	(£3)	(£3)
PFI, Finance Lease and Transferred Debt	£0	£0	(£17)	(£16)	£0	£0	£0	£0	(£17)	(£16)
Short-Term Creditors (Financial Assets)	£0	£0	£0	£0	£0	£0	(£31,210)	(£24,478)	(£31,210)	(£24,478)
Total Financial Liabilities	(£207,903)	(£204,709)	(£17)	(£16)	(£14,344)	(£40,589)	(£31,210)	(£24,478)	(£253,474)	(£269,792)
Short-Term Creditors (Non-Financial Liabilities)	£0	£0	£0	£0	£0	£0	(£12,498)	(£12,669)	(£12,498)	(£12,669)
Total	(£207,903)	(£204,709)	(£17)	(£16)	(£14,344)	(£40,589)	(£43,708)	(£37,147)	(£265,972)	(£282,461)

Investments in Equity Instruments Designated at Fair Value through other Comprehensive Income

With the introduction of IFRS 9 the Council has designated the following equity at 31 March 2023 as fair value through other comprehensive income:

Investments in Equity Instruments Designated at Fair Value through Other Comprehensive Income	Nominal £000s	Fair Value £000s	Change in Fair Value during 2022/23 £000s	Dividend 2022/23 £000s
Manchester Airport Shares	£10,214	£20,100	£1,500	£0
Manchester Airport Car Park (1) Limited	£5,610	£4,300	(£500)	£0
Total	£15,824	£24,400	£1,000	£0

The Council holds 3.22% shares in Manchester Airport Holdings Ltd, the shareholding is a strategic investment and not held for trading and therefore the Council has opted to designate it as fair value through Other Comprehensive Income. This would mean that there is no impact on the revenue budget and the decision to designate to fair value through other comprehensive income is irrevocable. Any gains or losses on the valuation of the shareholding will therefore be transferred to a Financial Instruments Revaluation Reserve.

Items of Income, Expense, Gains or Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows:

Items of Income, Expense, Gains or Losses	2021/22			2022/23		
	Surplus or Deficit on the Provision of Services £000s	Other Comprehensive Income & Expenditure £000s	Total £000s	Surplus or Deficit on the Provision of Services £000s	Other Comprehensive Income & Expenditure £000s	Total £000s
Net Gains/Losses on: Financial Assets Measured at Fair Value through Other Comprehensive Income	£0	£0	£0	£0	(£1,000)	(£1,000)
Total Net Gains/(Losses)	£0	£0	£0	£0	(£1,000)	(£1,000)
Interest Income: Financial Assets Measured at Amortised Cost	(£4,021)	£0	(£4,021)	(£4,991)	£0	(£4,991)
Other Financial Assets Measured at Fair Value through Other Comprehensive Income	£0	£0	£0	£0	£0	£0
Total interest income	(£4,021)	£0	(£4,021)	(£4,991)	£0	(£4,991)
Interest Expense	£7,596	£0	£7,596	£8,281	£0	£8,281

Fair Value of Financial Assets and Liabilities

Fair Values of Financial Assets

Some of the Council's financial assets are measured in the Balance Sheet at fair value on a recurring basis and are described in the following table, including the valuation techniques used to measure them.

Recurring Fair Value Measurements	Input Level in Fair Value Hierarchy	Valuation Technique Used to Measure Fair Value	As at 31/03/2022 Fair Value £000s	As at 31/03/2023 Fair Value £000s
Fair Value through Other Comprehensive Income Manchester Airport	Level 2	Earnings Based	£23,400	£24,400
Total			£23,400	£24,400

The Council holds a 3.22% share in Manchester Airport Holdings Limited (MAHL). The shares in this company are not traded in an active market; however, the fair value shown above is based on a high degree of comparability to listed company data including any movement in share prices. An earnings-based method has been employed which takes as its basis for the profitability of the company, assessing its historic earnings and arriving at a view of "maintainable" or "prospective" earnings.

The method involves the application of an EV/EBITDA multiple (Enterprise Value by Earnings before Interest, Taxes, Depreciation and Amortisation) to the maintainable or prospective earnings and draws on data from comparable quoted companies. The data is then adjusted by discount factors to allow for the fact that the shares are not publicly traded and that the Council holds a minority interest with no voting rights. These unobservable inputs have been developed using the best information about the assumptions that the market participants would use when pricing the asset.

The valuation has been made using annual audited accounts of MAHL for the financial year 2021/22, along with interim 6 month reports for the period ending 30 September 2022. These shares are subject to annual valuation. In 2022/23 this has seen an increase in value of £1m.

Fair Values of Financial Assets and Financial Liabilities that are not measured at Fair Value

Except for the financial assets carried at fair value (described in the table above), all other financial liabilities and financial assets represented by loans and receivables and long-term debtors and creditors are carried on the Balance Sheet at amortised cost.

Their fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments (Level 2) using the following assumptions:

- For loans from the Public Works Loan Board (PWLB) payable, borrowing rates from the PWLB have been applied to provide the fair value under PWLB debt redemption procedures.
- For non-PWLB loans payable, prevailing market rates have been applied to provide the fair value under PWLB debt redemption procedures;
- For loans receivable prevailing benchmark market rates have been used to provide the fair value;
- No early repayment or impairment is recognised;
- Where an instrument has a maturity of less than 12 months or is a trade or other receivable the fair value is taken to be carrying amount or the billed amount.

The fair values are calculated as follows:

The Fair Values of Financial Liabilities that are Not Measured at Fair Value	31 March 2022		31 March 2023	
	Carrying Amount £000s	Fair Value £000s	Carrying Amount £000s	Fair Value £000s
Temporary Loans	£0	£0	(£17,103)	(£17,103)
PWLB Loans	(£166,258)	(£198,497)	(£163,005)	(£141,389)
LOBO/Market Loans	(£55,986)	(£77,274)	(£65,187)	(£73,729)
Local Bonds	(£3)	(£3)	(£3)	(£3)
PFI, Finance Lease and Transferred Debt	(£17)	(£17)	(£16)	(£16)
Short-Term Creditors (Financial Assets)	(£31,210)	(£31,210)	(£24,478)	(£24,478)
Financial liabilities	(£253,474)	(£307,001)	(£269,792)	(£256,718)

The fair value of the liabilities is lower than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is lower than the rates available for similar loans at the Balance Sheet date. This shows a notional future gain (based on economic conditions at 31 March 2023) arising from a commitment to pay interest to lenders below current market rates.

The Fair Values of Financial Assets that are Not Measured at Fair Value	31 March 2022		31 March 2023	
	Carrying Amount £000s	Fair Value £000s	Carrying Amount £000s	Fair Value £000s
Long-Term Debtor Loans	£47,162	£50,274	£69,188	£70,188
Investments	£5,504	£5,504	£469	£498
Deposits (Short Maturity) and Bank Accounts	£34,713	£34,713	(£5,813)	(£5,813)
Short-Term Debtors (Financial Assets)	£33,626	£33,626	£31,766	£31,766
Financial Assets	£121,005	£124,117	£95,610	£96,639

Short-term debtors and creditors are carried at cost as this is a fair approximation of their value.

Fair Value hierarchy for Financial Assets and Financial Liabilities that are not measured at Fair Value

Recurring Fair Value Measurements Using:	Other Significant Observable Inputs (Level 2)	Other Significant Observable Inputs (Level 2)
	31 March 2022 £000s	31 March 2023 £000s
Financial Liabilities		
Temporary Loans	£0	(£17,103)
PWLB Loans	(£198,497)	(£141,389)
LOBO/Market Loans	(£77,274)	(£73,729)
Total	(£275,771)	(£232,221)
Financial Assets		
Long-Term Debtor Loans	£50,274	£70,188
Total	£50,274	£70,188

The fair value for financial liabilities and financial assets that are not measured at fair value included in Level 2 in the table above have been arrived at using a discounted cash flow analysis with the most significant inputs being the discount rate detailed.

20. Nature and Extent of Risks Arising from Financial Instruments

The Council's activities expose it to a variety of financial risks. The key risks are:

- **Credit risk** – the possibility that other parties might fail to pay amounts due to the Council;
- **Liquidity risk** – the possibility that the Council might not have funds available to meet its commitments to make payments;
- **Re-financing risk** – the possibility that the Council might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms; and
- **Market risk** – the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates or stock market movements.

Overall Procedures for Managing Risk

The Council's management of treasury risks actively works to minimise the Council's exposure to the unpredictability of financial markets and to protect the financial resources available to fund services. The Council has fully adopted CIPFA's Code of Treasury Management Practices and has written principles for overall risk management as well as written policies and procedures covering specific areas such as credit risk, liquidity risk and market risk.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers.

This risk is minimised through the Annual Treasury Management Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, in accordance with the Fitch, Moody's and Standard & Poor's Credit ratings Services. The Annual Investment Strategy also considers maximum amounts and time limits with a financial institution.

This Council used the creditworthiness service provided by Link Asset Services throughout 2022/23. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies, forming the core element. However it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- Credit watches and credit outlooks from credit rating agencies;
- Credit Default Swap spreads to give early warning of likely changes in credit ratings; and
- Sovereign ratings to select counterparties from only the most creditworthy countries.

The full Investment Strategy for 2022/23 was approved by Council on 23 February 2022 and is available on the Council's website.

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with individual credit limits being set in accordance with parameters set by the Council.

The council has a total of £1.720m (excluding bank overdraft of £7.064m) deposited with a number of financial institutions as 31 March 2023. The Council's maximum exposure to credit risk in relation to this amount cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Council's deposits, but there was no evidence at the 31 March 2023 that this was likely to crystallise.

The Council does not generally invest in quoted equity shares where there is an active market. It does have a shareholdings valued at £24.4m in the Manchester Airport Group. The Council is therefore exposed to the risk of a loss in the valuation of its investments arising as a result of poor performance by the Group. The Council would not normally attempt to spread its risk by diversifying its portfolio.

Expected Credit Loss Model

The Council recognises expected credit losses on all its financial assets held at amortised cost (or where relevant FVOCI), either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

We have assessed the Council's investments (all short-term) and concluded that the expected credit loss is not material therefore no allowances have been made.

Only lifetime expected credit losses (simplified approach) have been recognised for trade receivables (debtors) held by the Council.

Loss Allowance by Asset Class (Amortised Cost)	Amounts at 31 March 2023 £000s	Lifetime Expected Credit Losses: Simplified Approach %	Loss Allowance Opening Balance £000s	Amounts Written Off £000s	Changes in Models/Risk Parameters £000s	Loss Allowance Closing Balance £000s
Short-Term Debtors (Financial Assets)	£31,826	18.94%	(£4,200)	£177	(£2,004)	(£6,027)
Total	£31,826		(£4,200)	£177	(£2,004)	(£6,027)

Loss Allowance by Asset Class (Amortised Cost)	Amounts at 31 March 2022 £000s	Lifetime Expected Credit Losses: Simplified Approach %	Loss Allowance Opening Balance £000s	Amounts Written Off £000s	Changes in Models/Risk Parameters £000s	Loss Allowance Closing Balance £000s
Short-Term Debtors (Financial Assets)	£33,626	12.49%	(£3,417)	£670	(£1,453)	(£4,200)
Total	£33,626		(£3,417)	£670	(£1,453)	(£4,200)

No credit limits were exceeded during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits and bonds.

The Council does not generally allow extended credit for customers, but some of the current balances is past its due date for payment. The past due but not impaired amount can be analysed by age as follows:

Aged Debt Analysis - Past Due but Not Impaired	31 March 2022 £000s	31 March 2023 £000s
Less than three months	£7,680	£4,696
Three to four months	£4,157	£2,459
Four months to one year	£5,349	£1,827
More than one year	£6,843	£2,263
Total	£24,029	£11,245

Liquidity Risk

The Council manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through a comprehensive cash flow management system, as required by the CIPFA Code of Practice. This seeks to ensure that cash is available when needed.

The Council has ready access to borrowings from the money markets to cover any day to day cash flow need, and the PWLB and money markets for access to longer term funds. The Council is also required to provide a balanced budget through the Local Government Finance Act 1992, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

The maturity analysis of financial assets is as follows:

Maturity Analysis of Financial Assets	31 March 2022 £000's	31 March 2023 £000's
Less than 1 year	£95,755	£26,422
Between 2 and 3 years	£0	£0
Between 1 and 2 years	£0	£0
More than 3 years	£70,562	£69,188
Total	£166,317	£95,610

Refinancing and Maturity Risk

The Council maintains a significant debt and investment portfolio. Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer-term risk to the Council relates to managing the exposure to replacing financial instruments as they mature. This risk relates to both the maturing of longer term financial liabilities and longer term financial assets.

The approved treasury indicator limits for the maturity structure of debt and the limits placed on investments placed for greater than one year in duration are the key parameters used to address this risk. The Council approved treasury and investment strategies address the main risks and the central treasury team address the operational risks within the approved parameters.

This includes:

- Monitoring the maturity profile of financial liabilities and amending the profile through either new borrowing or the rescheduling of the existing debt; and
- Monitoring the maturity profile of investments to ensure sufficient liquidity is available for the Council's day to day cash flow needs, and the spread of longer term investments provide stability of maturities and returns in relation to the longer term cash flow needs.

The maturity analysis of financial liabilities is as follows:

Maturity Analysis of Financial Liabilities	31 March 2022 £000's	31 March 2023 £000's
Less than 1 year	(£14,154)	(£41,597)
1 - 2 years	(£5,000)	(£43,703)
2 - 5 years	(£2,850)	(£1,192)
5 - 10 years	(£51,000)	(£52,174)
More than 10 years	(£149,243)	(£131,126)
Total	(£222,247)	(£269,792)

Of the £38m of Lender Option Borrower Option (LOBO) loans, all loans mature in more than 10 years (the average maturity time being 47 years).

While the terms of the LOBO state that loans could be recalled within 12 months; this has never happened and is something we deem to be highly unlikely. We have therefore taken the decision to disclose these as long-term liabilities as they are very likely to be on our balance sheet for a period of greater than 12 months and so the classification of long-term creditors provides the most realistic status of these loans to the users of the accounts.

Market Risk

The Council is exposed to market risk in terms of its exposure that the value of an instrument will fluctuate because of changes in:

- Interest rate risk;
- Price risk; and
- Foreign Exchange rate risk

Interest Rate Risk

The Council is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- Borrowings at variable rates – the interest expense charged to the Comprehensive Income and Expenditure Statement will rise;
- Borrowings at fixed rates – the fair value of the borrowing will fall (no impact on revenue balances);
- Investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise; and
- Investments at fixed rates – the fair value of the assets will fall (no impact on revenue balances).

Borrowings are not carried at fair value on the balance sheet, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in the Other Comprehensive Income and Expenditure Statement.

The Council has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together Council's prudential and treasury indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a treasury indicator is set which provides maximum limits for fixed and variable interest rate exposure. The central treasury team will monitor market and forecast interest rates within the year to adjust exposures appropriately. For instance during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long term returns, similarly the drawing of longer term fixed rates borrowing would be postponed.

According to this investment strategy, at 31 March 2023, if all interest rates had been 1% higher (with all other variables held constant) the financial effect would be:

Interest Rate Risk	2022/23 £000's
Increase in Interest Payable on Variable Rate Borrowings	£234
Increase in Interest Receivable on Variable Rate Investments	(£16)
Impact on Surplus or Deficit on the Provision of Services	£218
Decrease in Fair Value of Fixed Rate Investment Assets	£0
Impact on Other Comprehensive Income and Expenditure	£0
Decrease in Fair Value of Fixed Rate Borrowing Liabilities (no impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure)	£27,091

The approximate impact of a 1% fall in interest rates would be as above but with the movements being reversed. These assumptions are based on the same methodology as used in the Note – Fair value of Assets and Liabilities carried at Amortised Cost.

Price Risk

The Council does not generally invest in equity shares but does have shareholdings to the value of £24.4m in local industry. Whilst these holdings are generally illiquid, the Council is exposed to losses arising from movements in the price of the shares.

As the shareholdings have arisen in the acquisition of specific interests, the Council is not in a position to limit its exposure to price movements by diversifying its portfolio. Instead it only acquires shareholdings in return for "open book" arrangements with the company concerned so that the Council can monitor factors that might cause a fall in the value of specific shareholdings.

Of the shares mentioned above, £24.4m has been elected as Fair Value through Other Comprehensive Income, meaning that all movements in price will impact on gains and losses recognised in the Financial Instruments Revaluation Reserve. A general shift of 5% in the general price of shares (positive or negative) would thus have resulted in a £1.220m gain or loss being recognised in the Financial Instruments Revaluation Reserve.

Foreign Exchange Risk

The Council has no financial assets or liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

21. Analysis of Long and Short-Term Debtors

Analysis of Short-Term Debtors	2021/22	2022/23
	£000s	£000s
Gross Trade Receivables	£28,914	£31,476
less Trade Receivables Impairment Allowance	(£2,426)	(£4,116)
Net Trade Receivables	£26,488	£27,360
Payments in Advance	£2,396	£2,510
Related Parties	£7,010	£4,406
Gross NNDR Payers	£10,781	£11,170
less NNDR Payers Impairment Allowance	(£6,923)	(£6,827)
Net NNDR Payers	£3,858	£4,343
Gross Council Tax Payers	£16,869	£19,871
less Council Tax Payers Impairment Allowance	(£9,775)	(£13,108)
Net Council Tax Payers	£7,093	£6,764
Collection Fund Preceptors	£138	£459
Gross Housing Benefit	£5,065	£4,810
less Housing Benefit Impairment Allowance	(£1,621)	(£1,454)
Net Housing Benefit	£3,444	£3,356
Gross Housing Rent	£1,902	£1,911
less Housing Rent Impairment Allowance	(£1,774)	(£1,911)
Net Housing Rent	£128	£0
Other Receivables	£1,907	£4,840
Total	£52,463	£54,037

Analysis of Long-Term Debtors	2021/22	2022/23
	£000s	£000s
Loan Accounts	£32,658	£52,787
Bury MBC Townside Fields	£7,257	£7,257
Airport Loan Interest	£7,237	£9,134
Debt Managed for Probation Services	£10	£11
Total	£47,162	£69,188

22. Cash and Cash Equivalents

Cash and Cash Equivalents	2021/22	2022/23
	£000s	£000s
Cash held by the Authority	£59	£55
School Bank Accounts	£1,178	(£372)
Bank Call Accounts	£38,062	£1,251
Bank Overdraft	(£4,526)	(£6,691)
Total	£34,773	(£5,757)

23. Analysis of Creditors

Analysis of Short-Term Creditors	2021/22	2022/23
	£000s	£000s
Trade Payables	(£19,958)	(£13,852)
Receipts in Advance	(£1,114)	(£2,002)
Related Party Payables	(£5,114)	(£4,370)
NNDR Payers	(£2,800)	(£3,218)
Council Tax Payers	(£1,912)	(£2,140)
Collection Fund Preceptors	(£79)	£0
Deposits and Client Funds	(£140)	(£159)
Finance Lease	£0	£0
Other Payables	(£12,592)	(£11,406)
Total	(£43,708)	(£37,147)

24. Long and Short-Term Provisions

Provisions are amounts set aside by the Council to meet the cost of a future liability, for which the timing of the payment is uncertain. The amounts represent the best estimate of that liability where an exact cost is not able to be determined. In line with the Code of Practice, the provision is charged to service revenue accounts in the year it is established. When the liability falls due, the costs are charged directly to the provision.

Short-Term Provisions	Business Rates Appeals Provision £000s	Insurance Provision £000s	Other Provisions £000s	Total £000s
Balance at 1 April 2022	(£1,205)	(£548)	(£123)	(£1,876)
Additional Provisions Made In-Year	£0	£0	£0	£0
Amounts Used In-Year	£0	£0	£123	£123
Unused Amounts Reversed In-Year	£0	£0	£0	£0
Balance at 31 March 2023	(£1,205)	(£548)	£0	(£1,753)

Long-Term Provisions	Business Rates Appeals Provision £000s	Insurance Provision £000s	Other Provisions £000s	Total £000s
Balance at 1 April 2022	(£278)	(£4,336)	(£1,335)	(£5,949)
Additional Provisions Made In-Year	(£3,312)	£0	£0	(£3,312)
Amounts Used In-Year	£917	£1,510	£103	£2,530
Unused Amounts Reversed In-Year	£0	£0	£0	£0
Balance at 31 March 2023	(£2,673)	(£2,827)	(£1,232)	(£6,731)

Business Rates Provision – Provision for potential backdated liability of refunding Business Rates payers as a result of reductions in Rateable Values, following successful appeals or alterations to Valuation lists.

Insurance Provision – Provision for outstanding claims relating to 31 March 2023 and before, where there are potential settlement costs attributable to the Council.

Other Provisions - This is the total of all other amounts set aside as provisions that are individually insignificant.

25. Usable Reserves

Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement and Note 9 Movement in Earmarked Reserves.

26. Unusable Reserve

Summary of Unusable Reserves:

Reserve	2021/22 £000s	2022/23 £000s
Revaluation Reserve	(£118,872)	(£162,477)
Capital Adjustment Account	(£244,351)	(£244,344)
Deferred Capital Receipts	£1	£1
Financial Instruments Revaluation Reserve	(£7,576)	(£8,576)
Financial Instruments Adjustment Reserve	£269	£267
Collection fund Adjustment Account	£10,061	£7,724
Accumulated Absences	£3,419	£2,923
DSG Adjustment Account	£21,473	£18,601
Pension Reserve	£219,411	(£90,745)
Balance at 31st March	(£116,165)	(£476,627)

Revaluation Reserve

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

- revalued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; and
- disposed of and gains are realised.

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

Revaluation Reserve	2021/22 £000s	2022/23 £000s
Balance at 1 April	(£116,540)	(£118,872)
Upward Revaluation of Assets	(£28,483)	(£65,841)
Downward Revaluation of Assets and Impairment Losses Not Charged to the (Surplus)/Deficit on the Provision of Services	£20,231	£20,469
(Surplus) or Deficit on Revaluation of Non-Current Assets not Posted to the (Surplus) or Deficit on the Provision of Services	(£8,252)	(£45,372)
Difference between Fair Value Depreciation and Historical Cost Depreciation	£1,099	£1,191
Accumulated Gains on Assets Sold or Scrapped	£778	£576
Revaluation Balances Adjustment	£4,043	£0
Amount Written off to the Capital Adjustment Account	£5,920	£1,767
Balance at 31 March	(£118,872)	(£162,477)

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 financing the acquisition, construction or enhancement element 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 a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

The Account contains 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 contains revaluation gains accumulated on Property, Plant and Equipment before April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 8 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

Capital Adjustment Account	2021/22 £000s	2022/23 £000s
Balance at 1 April	(£219,148)	(£244,351)
<i>Reversal of Items Relating to Capital Expenditure Debited or Credited to the Comprehensive Income and Expenditure Statement:</i>		
Charges for Depreciation and Impairment of Non-Current Assets	£14,769	£15,676
Revaluation Losses on Property, Plant and Equipment	(£12,280)	£12,431
Amortisation of Intangible Assets	£679	£971
Revenue Expenditure Funded from Capital Under Statute	£4,586	£1,412
Amounts of Non-Current Assets Written-off on Disposal or Sale as Part of the (Gain)/Loss on Disposal to the Comprehensive Income and Expenditure Statement	£4,453	£5,636
Sub-total	£12,207	£36,126
Adjusting Amounts Written-out of the Revaluation Reserve	(£5,920)	(£1,767)
Net Written-out Amount of the Cost of Non-Current Assets Consumed in the Year	£6,287	£34,359
<i>Capital financing applied in the year:</i>		
Use of the Capital Receipts reserve to finance new capital expenditure	(£613)	(£254)
Use of the Major Repairs Reserve to finance new capital expenditure	(£7,404)	(£7,012)
Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(£13,476)	(£14,954)
Application of grants to capital financing from the Capital Grants Unapplied Account	(£1,782)	(£2,805)
Statutory provision for the financing of capital investment charged against the General Fund and HRA balances	(£2,602)	(£1,675)
Capital expenditure charged against the General Fund and HRA balances	(£5,321)	(£5,952)
Reclassification of Manchester Airport Reserve item to Unusable Reserve	£0	£0
Sub-total	(£31,198)	(£32,652)
Movements in the market value of investment properties debited or credited to the Comprehensive Income and Expenditure Statement	(£292)	(£1,700)
Repayment of Long Term Debtors	£0	£0
Balance at 31 March	(£244,351)	(£244,344)

Deferred Capital Receipts

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets for which cash settlement has yet to take place. Under statutory arrangements the Council does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve.

Financial Instrument Revaluation Account

The Financial Instruments Revaluation Reserve contains the gains made by the Council arising from increases in the value of its investments that are measured at fair value through other comprehensive income. The balance is reduced when investments with accumulated gains are:

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

Financial Instruments Revaluation Reserve	2021/22 £000s	2022/23 £000s
Balance at 1st April	(£7,576)	(£7,576)
Upward Revaluation of Investments	£0	(£1,500)
Downward Revaluation of Investments	£0	£500
Balance at 31st March	(£7,576)	(£8,576)

Financial Instrument Adjustment Account

The Financial Instrument Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenditure relating to certain financial instruments and for bearing losses or benefitting from gains per statutory provisions.

The Council uses the Account to manage premiums paid and discounts received on the early redemption of loans. Premiums are debited and discounts are credited to the Comprehensive Income and Expenditure Statement when they are incurred but reversed out of the General Fund Balance to the Account in the Movement in Reserves Statement. Over time, the net expense is posted back to the General Fund balance in accordance with statutory arrangements for spreading the burden on Council Tax payers. In the Council's case this period is the unexpired term that was outstanding on loans when they were redeemed.

Financial Instrument Adjustment Account	2021/22 £000s	2022/23 £000s
Balance at 1 April	£271	£269
Premiums Incurred in the Year and Charged to the Comprehensive Income and Expenditure Statement	£0	£0
Proportion of Premiums Incurred in Previous Financial Years to be Charged Against the General Fund Balance in Accordance with Statutory Requirements	(£2)	(£2)
Balance at 31 March	£269	£267

Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of Council Tax and Business Rates income in the Comprehensive Income and Expenditure Statement as it falls due from Council Tax and Business Rate payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

Collection Fund Adjustment Account	2021/22 £000s	2022/23 £000s
Balance at 1 April	£28,275	£10,061
Amount by Which Council Tax and Non-Domestic Rate Income Credited to the Comprehensive Income and Expenditure Statement is Different from Council Tax and Non-Domestic Rate Income Calculated for the Year in Accordance with Statutory Requirements	(£18,214)	(£2,337)
Balance at 31 March	£10,061	£7,724

Accumulated Absences

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. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

Accumulative Absences	2021/22 £000s	2022/23 £000s
Balance at 1 April	£4,781	£3,419
Settlement or Cancellation of Accrual Made at the End of the Preceding Year	(£4,781)	(£3,419)
Amounts Accrued at the End of the Current Year	£3,419	£2,923
Amount by Which Officer Remuneration Charged to the Comprehensive Income and Expenditure Statement on an Accruals Basis is Different from Remuneration Chargeable in the Year in Accordance with Statutory Requirements	(£1,362)	(£496)
Balance at 31 March	£3,419	£2,923

Dedicated Schools Grant (DSG) Adjustment Account

The Dedicated Schools Grant adjustment account holds accumulated deficits relating to the schools budget. Where the authority has incurred a deficit on its schools budget in years beginning 1 April 2020 ending 31 March 2026, the Local Authorities (Capital Finance and Accounting) Regulations do not allow for such amounts to be included in the General Fund and instead must be held in this adjustment account.

Dedicated Schools Grant (DSG) Adjustment Account	2021/22 £000s	2022/23 £000s
Balance at 1 April	£21,407	£21,473
School Budget Deficit Transferred from General Fund in Accordance with Statutory Requirements	£66	(£2,872)
Balance at 31 March	£21,473	£18,601

Pension Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pension for which it is directly responsible. The debit balance on the Pensions Reserve in 2021/22 therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits are due for payment.

Pension Reserve	2021/22 £000s	2022/23 £000s
Balance at 1 April	£356,592	£219,411
Remeasurements of the Net Defined Benefit Liability/(Asset)	(£165,358)	(£330,522)
Reversal of Items Relating to Retirement Benefits Debited or Credited to the (Surplus) or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	£45,423	£38,659
Employer's Pension Contributions and Direct Payments to Pensioners Payable in the Year	(£17,246)	(£18,293)
Balance at 31 March	£219,411	(£90,745)

27. Cash Flow Statement Notes

Operating Activities

The cash flows for Operating Activities include the following items:

Operating Activities	Restated 2021/22 £000s	2022/23 £000s
Interest Received	(£1,082)	(£3,066)
Interest Paid	£7,647	£8,039
Dividends Received	£0	£0

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

Non-Cash Movements	Restated 2021/22 £000s	2022/23 £000s
Depreciation	(£14,776)	(£15,676)
Impairment and Downward Valuations	£12,278	(£12,431)
Amortisation	(£679)	(£971)
Increase/(Decrease) in Impairment for Credit Losses	(£2,400)	(£4,896)
Increase/(Decrease) in Creditors	(£17,322)	£18,046
(Increase)/Decrease in Debtors	(£2,140)	£5,911
(Increase)/Decrease in Inventories	£324	£428
Movement in Pension Liability	(£28,177)	(£20,366)
Carrying Amount of Non-current Assets and Non-current Assets Held for Sale, Sold or Derecognised	(£4,440)	(£5,636)
<i>Other Non-cash Items Charged to the Net (Surplus) or Deficit on the Provision of Services:</i>		
(Increase)/Decrease in Provisions	£4,010	(£659)
Movements in the Value of Investment Properties	£292	£1,700
(Increase)/Decrease in Accumulated Absences	£1,362	£496
	(£51,668)	(£34,055)

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

Investing and Financing Activities	Restated 2021/22 £000s	2022/23 £000s
Proceeds from Short-term (not considered to be cash equivalents) and Long-term Investments (includes investments in associates, joint ventures and subsidiaries)	£0	£0
Proceeds from the Sale of Property, Plant and Equipment, Investment Property and Intangible Assets	£4,130	£4,177
Grant Receipts for the Financing of New Capital Expenditure	£21,769	£21,908
	£25,899	£26,085

Investing Activities

Cash Flow Statement - Investing Activities	Restated 2021/22 £000s	2022/23 £000s
Purchase of Property, Plant and Equipment, Investment Property and Intangible Assets	£39,707	£49,137
Purchase of Short-term and Long-term Investments	£292,791	£339,025
Other Payments for Investing Activities	£203	£20,425
Proceeds from the Sale of Property, Plant and Equipment, Investment Property and Intangible Assets	(£4,130)	(£4,177)
Proceeds from Short-term and Long-term Investments	(£287,790)	(£344,049)
(Proceeds) from Other Long Term Loans	(£232)	(£847)
Grant (Receipts) for the Financing of New Capital Expenditure	(£27,793)	(£22,470)
Net Cash Flows from Investing Activities	£12,757	£37,044

Financing Activities

Cash Flow Statement - Financing Activities	Restated 2021/22 £000s	2022/23 £000s
Cash (Receipts) of Short-Term and Long-Term Borrowing	(£20,000)	(£36,000)
Cash (Receipts) from Other Short-Term and Long-Term Liabilities	£0	£0
Repayments of Short-Term and Long-Term Borrowing	£5,190	£13,193
Repayments of Other Short-Term and Long-Term Liabilities	£957	£1
Cash Payments for the Reduction of Outstanding Liabilities Relating to Finance Leases and on-Balance Sheet PFI Contracts	£23	£0
Discount/Premium on Early Repayment of Debt	£2	£2
Billing Authority Collection Fund Adjustments	(£793)	£400
Net Cash Flows from Financing Activities	(£14,621)	(£22,405)

Reconciliation of Liabilities Arising from Financing Activities

Liabilities from Financing Activities	Balance at 1 April 2022 £000s	Financing Cash Flows £000s	Non-Cash Changes £000s	Balance at 31 March 2023 £000s
Long-term Borrowings	(£207,903)	(£15,806)	£19,000	(£204,709)
Long-term Borrowings Other	(£13)	£1	£0	(£12)
Short-term Borrowings	(£14,344)	(£7,000)	(£19,245)	(£40,589)
Lease Liabilities	(£4)	£0	£0	(£4)
Total Liabilities from Financing Activities	(£222,265)	(£22,805)	(£245)	(£245,314)

Liabilities from Financing Activities	Balance at 1 April 2021 £000s	Financing Cash Flows £000s	Non-Cash Changes £000s	Balance at 31 March 2022 £000s
Long-term Borrowings	(£201,095)	(£14,808)	£8,000	(£207,903)
Long-term Borrowings Other	(£970)	£957	£0	(£13)
Short-term Borrowings	(£6,392)	£0	(£7,953)	(£14,344)
Lease Liabilities	(£27)	£23	£0	(£4)
Total Liabilities from Financing Activities	(£208,484)	(£13,828)	£47	(£222,265)

28. Pooled Funds

Section 75 of the National Health Service Act 2006 allowed joint working arrangements between NHS organisations and local authorities. Pooled funds enable these bodies to work collaboratively to address specific local health issues.

The Clinical Commissioning Group (CCG) ceased to exist as a legal entity from the 1st of July 2022 with NHS Greater Manchester Integrated Care (NHS GM) being the successor entity from the 1st of July 2022. On this basis, NHS GM will be a party to the S75 with the Council moving forward.

The pooling of budgets between the two organisations, Bury Council and NHS GM, is in line with NHSE guidelines to progress integration of Adult Social Care and Health and is in accordance with the decision made by Cabinet and what was the CCG Governing Body.

Bury Council and NHS GM have worked together to support health and social care integration within the locality. From 1 October 2019 the Integrated Commissioning Fund (ICF) includes the total revenue budget allocations of both the Council and the CCG (Now NHS GM).

The single fund is overseen by The Bury Integrated Care Partnership Locality Board whose membership includes equal representation from the NHS GM and the Council.

The ICF supports the 4 strategic priorities of the Bury Locality Plan:

- **Building new relationships:** We will enable a radical shift in both the relationship between local people and public services, and the way in which public services work together towards a common set of outcomes.
- **Staying well for longer:** We will support local people to remain well for longer by systematically tackling the causes of illness, radically up-scaling prevention, and implementing a whole system wellness and wellbeing programme.
- **Reducing failure demand:** We will identify and remove the demand that exists in most Public Service systems that occur as a result of the way in which services are delivered and the way in which organisations work together within the system.
- **Tackling wider determinants of health:** We will make a concerted system-wide effort to tackle the wider determinants which impact upon the health and wellbeing of local people such as deprivation, work and skills, housing, education and the environment.

The ICF is made up of 3 component sections:

- **Section 75 Pooled Budget:** Decisions on the utilisation of this budget are delegated to the Strategic Commissioning Board (SCB).
- **Aligned Services Budget:** For services that cannot be pooled under Section 75 legislation or the Council and CCG/NHS GM have agreed are not yet in a position to pool. Recommendations on the utilisation of this budget are made by the SCB with decisions taken by the appropriate sovereign organisation.
- **In View Services Budget:** For services that are influenced but not directly commissioned by the partners. Decisions on the utilisation of in-view budgets are made by committees/bodies outside of Bury and are shared for information purposes only.

Risk share agreement

Under the risk share arrangements of the ICF each organisation shares financial risk on a 50:50 basis. Each partner organisation accounts for their own contributions and details of the spend from the pool are reported to the Bury Locality Board.

In addition to the risk share the ICF financial framework allows for contributions from partners to vary in year as long as partner contributions are fully restored and balanced by the end of 2022/23.

In 2022/23 Bury Council made an additional contribution to the ICF pooled budget of £2m (See table 1)

The impact of the contribution variations across years and by partner is shown in the Table 2 below.

Table 1

Integrated Commissioning Fund incorporating the Better Care Fund and Improved Better Care Fund	2021/22 £000s	2022/23 £000s
Integrated Commissioning Fund Contribution		
Bury Council (Note 1)	(£105,673)	(£108,017)
Bury CCG/NHS GM Bury Locality	(£239,066)	(£132,544)
Sub-Total	(£344,739)	(£240,561)
Integrated Commissioning Fund Costs		
Bury Council	£101,609	£110,409
Bury CCG/NHS GM Bury Locality	£241,737	£132,330
Sub-Total	£343,346	£242,739
Net (Surplus)/deficit arising on the pooled budget during the year	(£1,393)	£2,178

Note 1: In 2022/23 Bury Council made an additional contribution to the ICF pooled budget of £2m.

Table 2

Organisation	2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s	Total £000s
Council	£10,500	(£15,000)	£2,500	£2,000	£0
CCG/NHS GM Bury Locality	(£10,500)	£15,000	(£2,500)	(£2,000)	£0
Total	£0	£0	£0	£0	£0

29. Members' Allowances

The council paid the following amounts to Members of the Council during the year:

Members' Allowances & Expenses	2021/22 £000s	2022/23 £000s
Allowances	£678	£820
Expenses	£3	£0
TOTAL	£681	£820

30. Officers' Remuneration and Termination Benefits

The remuneration of senior employees, which is defined as those who are members of the Executive Leadership Team, those holding statutory posts, or those whose remuneration is £150,000 or more per year, is set out below. Salary, (including Fees and Allowances) includes elements such as market supplements and honoraria. No payments were made for bonuses, benefits in kind & expense allowances in either year.

Senior Officers

The remuneration paid to the authority's senior employees is as follows:

Authority's Senior Employees	2021/22						2022/23					
	Note	Salary, Fees and Allowances £000s	Expenses Allowances £000s	Compensation for Loss of Office £000s	Pension Contribution £000s	Total £000s	Note	Salary, Fees and Allowances £000s	Expenses Allowances £000s	Compensation for Loss of Office £000s	Pension Contribution £000s	Total £000s
Chief Executive & Accountable Officer NHS Bury CCG [G Little]	A	£190	£0	£0	£39	£229	A	£176	£0	£0	£36	£212
Deputy Chief Executive (Corporate Core) [L Ridsdale]		£152	£0	£0	£31	£183	B	£154	£0	£0	£32	£186
Executive Director: Strategic Commissioning [W Blandamer]	B	£126	£0	£0	£18	£144		£131	£0	£0	£19	£150
Executive Director: Children & Young People	C	£104	£0	£0	£15	£119		£0	£0	£0	£0	£0
Executive Director: Children & Young People [J Richards]	D	£31	£0	£0	£6	£37		£130	£0	£0	£27	£157
Executive Director: Operations [D Ball]		£132	£0	£0	£27	£159		£134	£0	£0	£28	£162
Executive Director: Places	E	£50	£0	£0	£10	£60		£118	£0	£0	£24	£142
Executive Director: Places (Interim)	F	£44	£0	£0	£0	£44		£0	£0	£0	£0	£0
Executive Director: Finance	G	£0	£0	£0	£0	£0	F	£0	£0	£0	£0	£0
Executive Director: Finance (Interim)	H	£19	£0	£0	£0	£19		£0	£0	£0	£0	£0
Director of Law & Democratic Services	I	£93	£0	£0	£19	£112		£98	£0	£0	£20	£118
Director Community Commissioning (DAS)		£97	£0	£0	£20	£117		£106	£0	£0	£22	£128
Director of Public Health		£0	£0	£0	£0	£0	D	£25	£0	£0	£5	£30
Director of Public Health		£107	£0	£0	£15	£122	C	£82	£0	£0	£12	£94
Director of Education & Skills	J	£93	£0	£0	£19	£112		£102	£0	£0	£21	£123
Director of Housing		£0	£0	£0	£0	£0	E	£84	£0	£0	£17	£101
Director of Economic Regeneration & Capital Growth	K	£59	£0	£0	£12	£71		£0	£0	£0	£0	£0
Joint Chief Information Officer		£100	£0	£0	£21	£121		£104	£0	£0	£21	£125
Director of People & Inclusion	L	£70	£0	£0	£14	£84		£86	£0	£0	£18	£104

Senior Officers served for the whole of 2021/22 and 2022/23 unless stated below.

2022/23 Notes:

- A The Chief Executive retired on the 1 March 2023, The Chief Executive is also the Place Based Lead for NHS GM, 50% was recharged to NHS GM in 2022/23.
- B The Deputy Chief Executive was appointed as the Chief Executive and Placed Based Lead for NHS GM from the 1 March 2023.
- C The Director of Public Health left the Council on the 2 January 2023.
- D The Director of Public Health was appointed on the 3 January 2023.
- E The Director of Housing was appointed on the 30 May 2022.
- F The Executive Director of Finance (Section 151 Officer for the Council), the post is remunerated through the NHS, rather than Bury Council. The annual salary falls within a range of £125,000 and £129,999.

2021/22 Notes:

- A The Chief Executive is also the Accountable Officer at the Bury CCG, 50% was recharged to NHS Bury CCG in 2021/22.
- B The Executive Director for Strategic Commissioning is a joint role between the Council and the NHS, the NHS contributed 50% towards salary in 2021-22.
- C The Executive Director for Children & Young People left the Council on the 31 October 2021.
- D The Executive Director for Children & Young People was appointed on 4 January 2022.
- E The Executive Director Places was appointed on 25 November 2021.
- F The Interim Executive Director for Places started with the Council in February 2021 and is paid through an agency on a part-time basis.
- G The Executive Director of Finance (Section 151 Officer for the Council) was appointed on 3 May 2021, the post is remunerated through Bury NHS CCG, rather than Bury Council. The annual salary falls within a range of £115,000 and £119,999.
- H The Executive Director of Finance (Section 151 Officer for the Council) post was covered by interim arrangements via an agency during April 2021.
- I The Monitoring Officer Role in 2021/22 sits with the Director of Law & Democratic Services.
- J The Director of Education & Skills acted up into the Executive Director for Children & Young People prior to the appointment of the new director in 2021/22 (7 September 2021 to 3 January 2022).
- K The Director of Economic Regeneration & Capital Growth was in post until recruited into the Executive Director Places on 24 November 2021. This role remained vacant to the end of the 2021/22 year.
- L The Director of People & Inclusion was appointed on 24 May 2021.

Remuneration Bands

The Council's other employees receiving more than £50,000 remuneration for the year (excluding employer pension contributions) were paid the following amounts:

Remuneration Band	2021/22 Teaching Staff	2021/22 Non- Teaching Staff	2022/23 Teaching Staff	2022/23 Non- Teaching Staff
£50,000 - £54,999	51	26	67	37
£55,000 - £59,999	25	18	32	28
£60,000 - £64,999	28	14	27	12
£65,000 - £69,999	15	7	16	5
£70,000 - £74,999	11	5	13	1
£75,000 - £79,999	9	3	9	2
£80,000 - £84,999	3	1	6	1
£85,000 - £89,999	2	2	0	1
£90,000 - £94,999	3	2	1	1
£95,000 - £99,999	1	1	3	3
£100,000 - £104,999	0	0	1	0
£105,000 - £109,999	0	0	1	0
£110,000 - £114,999	1	1	0	0
£115,000 - £119,999	0	0	1	0
£120,000 - £124,999	0	0	0	0
£125,000 - £129,999	0	0	0	0
£130,000 - £134,999	0	0	0	1
TOTAL	149	80	177	92

Exit Packages

The numbers of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below.

Exit Package Cost Band (including special payments)	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band		Total Cost of Exit Packages in Each Band	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22 £000s	2022/23 £000s
£0 - £20,000	2	13	27	36	29	49	£186	£318
£20,001 - £40,000	0	3	7	3	7	6	£187	£164
£40,001 - £60,000	0	1	0	0	0	1	£0	£48
£60,001 - £80,000	0	0	0	1	0	1	£0	£67
£80,001 - £100,000	0	1	0	1	0	2	£0	£181
Total Cost Included in Bandings and in the CIES	2	18	34	41	36	59	£373	£778

31. External Audit Costs

The Council has incurred the following costs in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and to non-audit services provided by the Council's External Auditors:

External Audit Costs	2021/22 £000s	2022/23 £000s
Fees Payable with Regard to External Audit Services Carried Out by the Appointed Auditor for the Year	£124	£106
Additional Fee Agreed for 21/22 After Publication of Accounts per PSAA	£0	£0
Fees Payable in Respect of Other Services Provided by External Auditors During the Year	£0	£30
Total	£124	£136

32. Dedicated Schools Grant

The Council's expenditure on schools is funded primarily by grant monies provided by the Education and Skills Funding Agency (ESFA), the Dedicated Schools Grant (DSG). The DSG is ringfenced and can only be applied to meet expenditure properly included in the schools' budget, as defined in the School Finance and Early Years (England) Regulations 2022. The schools budget includes elements for a range of educational services provided on an authority-wide basis and for the individual schools budget (ISB), which is divided into a budget share for each maintained school.

Details of the deployment of the DSG receivable for 2022/23 are as follows:

DISCLOSURE OF DEPLOYMENT OF DEDICATED SCHOOLS GRANT 2022/23				
Note		Central Expenditure £000s	Individual Schools Budget £000s	Total £000s
A.	Final DSG for 2022/23 before Academy and High Needs Recoupment			£198,705
B.	Academy and High Needs Figure Recouped for 2022/23			£73,642
C.	Total DSG after Academy and High Needs Recoupment for 2022/23			£125,063
D.	Plus: Brought-forward from 2021/22			£0
E.	Less: Carry-forward to 2023/24 Agreed in Advance			£0
F.	Agreed Initial Budgeted Distribution in 2022/23	£51,308	£73,756	£125,063
G.	In-year Adjustments	£4,839	(£715)	£4,123
H.	Final Budget Distribution for 2022/23	£56,146	£73,040	£129,187
I.	Less: Actual Central Expenditure	£54,139		£54,139
J.	Less: Actual ISB Deployed to Schools		£73,070	£73,070
K.	Plus: Local Authority Contribution for 2022/23	£895	£0	£895
L.	In-year Carry-forward to 2023/24	£2,902	(£29)	£2,872
M.	Plus: Carry-forward to 2023/24 Agreed in Advance			£0
N.	Carry-forward to 2023/24			£2,872
O.	DSG Unusable Reserve at the End of 2021/22			(£21,473)
P.	Addition to DSG Unusable Reserve at the End of 2022/23			£0
Q.	Total of DSG Unusable Reserve at the End of 2022/23			(£21,473)
R.	Net DSG Position at the End of 2022/23			£18,601

- A: Final DSG figure before any amount has been recouped from the Council as published March 2023. Do not include the adjustment to the 2021/22 DSG for early years made during 2022/23 based on January 2022 numbers or top-up funding (see G below).
- B: Figure recouped from the Council in 2022/23 by the DfE for the conversion of maintained schools into academies and for high needs payments made by ESFA.
- C: Total DSG figure after academy and high needs recoupment for 2022/23, as published March 2023. (Do not deduct centrally funded licences.)
- D: Figure brought forward from 2021/22. There can only be an entry here if this is a surplus or zero; a deficit must have been placed in the DSG unusable reserve created by MHCLG's amending regulations (see line O).
- E: Any amount which the Council decided after consultation with the schools forum to carry forward to 2023/24 rather than distribute in 2022/23 – this may be the difference between estimated and final DSG for 2022/23, or a figure brought forward from 2021/22 that the Council is carrying forward again.
- F: Budgeted distribution of DSG, adjusted for carry-forward, as agreed with the schools forum. Note that the ISB column should include only money distributed to schools (including high needs place funding) and to other early years providers; centrally held schools block items such as the growth fund belong in the central expenditure column.
- G: Changes to the initial distribution, for example adjustments for exclusions, NNDR payments, or the final early years block adjustment for 2021/22 made during 2022/23 based on January 2022 numbers. Safety valve payments count as DSG and should be included here if paid in 2022/23.
- H: Budgeted distribution of DSG as at the end of the financial year.
- I: Actual amount of central expenditure items in 2022/23 – amounts not actually spent, eg money that is moved into earmarked reserves, should be included in items L20 or L21 as carried forward.
- J: Amount of ISB actually distributed to schools (ISB is regarded for DSG purposes as spent by the Council once it is deployed to schools' budget shares). Note that budget shares include early years funding, sixth form funding and high needs place funding; they do not include high needs top-up funding, which is treated as central expenditure.
- K: Any contribution from the local Council in 2022/23 that will have the effect of substituting for DSG in funding the schools budget. Do not include any change in balances held by schools as they are not to be recorded in this note.
- L: In-year position at end of 2022/23, ie:
- For central expenditure, difference between final budgeted distribution of DSG (item H12) and actual expenditure (item I15), plus any local Council contribution (item K17).
 - For ISB, difference between final budgeted distribution (item H13) and amount actually deployed to schools (item J16), plus any local Council contribution (item K18).
- M: Plus/minus any carry-forward to 2023/24 already agreed (Item E5).
- N: Total carry-forward on central expenditure (item L20) plus carry-forward on ISB (item L21) plus/minus any carry-forward to 2023/24 already agreed (item E5). To be entered in this line, this figure can only be a surplus or zero; if it results in a deficit, enter zero. Any in-year deficit in 2022/23 must be recorded as part of the DSG unusable reserve (item P26).
- O: DSG unusable reserve at end of 2021/21(if any) – any amount placed in the unusable reserve at the end of 2020/21 and/or 2021/22 in accordance with the MHCLG amending regulations.
- P: Any addition to DSG unusable reserve in 2022/23 because of an in-year deficit in 2022/23; figure 24 is to be entered here rather than at N when it is a deficit.
- Q: Total of DSG unusable reserve at end of 2022/23; this is the total of O25 and P26.

R: Net DSG position at the end of 2022/23; this is a memorandum item designed to show the overall position on DSG. It is calculated by taking the figure (if any) at N24 and deducting the figure (if any) at Q27 and will therefore show any net deficit that the local Council would have if the unusable reserve were not held separately.

Details of the deployment of the DSG receivable for 2021/22 is as follows:

DISCLOSURE OF DEPLOYMENT OF DEDICATED SCHOOLS GRANT 2021/22				
Note		Central Expenditure £000s	Individual Schools Budget £000s	Total £000s
A.	Final DSG for 2021/22 before Academy and High Needs Recoupment			£190,358
B.	Academy and High Needs Figure Recouped for 2021/22			£65,459
C.	Total DSG after Academy and High Needs Recoupment for 2021/22			£124,899
D.	Plus: Brought-forward from 2020/21			£0
E.	Less: Carry-forward to 2022/23 Agreed in Advance			£0
F.	Agreed Initial Budgeted Distribution in 2021/22	£42,570	£82,329	£124,899
G.	In-year Adjustments	£4,314	£0	£4,314
H.	Final Budget Distribution for 2021/22	£46,884	£82,329	£129,213
I.	Less: Actual Central Expenditure	£46,959		£46,959
J.	Less: Actual ISB Deployed to Schools		£82,320	£82,320
K.	Plus: Local Authority Contribution for 2021/22	£0	£0	£0
L.	In-year Carry-forward to 2022/23	(£75)	£9	(£66)
M.	Plus: Carry-forward to 2022/23 Agreed in Advance			£0
N.	Carry-forward to 2022/23			(£66)
O.	DSG Unusable Reserve at the End of 2020/21			(£21,407)
P.	Addition to DSG Unusable Reserve at the End of 2021/22			(£66)
Q.	Total of DSG Unusable Reserve at the End of 2021/22			(£21,473)
R.	Net DSG Position at the End of 2021/22			£21,407

- A: Final DSG figure before any amount has been recouped from the authority as published March 2022. Do not include the adjustment to the 2020/21 DSG for early years made during 2021/22 based on January 2021 numbers or top-up funding (see G below).
- B: Figure recouped from the authority in 2021/22 by the DfE for the conversion of maintained schools into academies and for high needs payments made by ESFA.
- C: Total DSG figure after academy and high needs recoupment for 2021/22, as published March 2022. (Do not deduct centrally funded licences.)
- D: Figure brought forward from 2020/21. There can only be an entry here if this is a surplus or zero; a deficit must have been placed in the DSG unusable reserve created by MHCLG's amending regulations (see line O).
- E: Any amount which the authority decided after consultation with the schools forum to carry forward to 2022/23 rather than distribute in 2021/22 – this may be the difference between estimated and final DSG for 2021/22, or a figure brought forward from 2020/21 which the authority is carrying forward again.

- F: Budgeted distribution of DSG, adjusted for carry-forward, as agreed with the schools forum. Note that the ISB column should include only money distributed to schools (including high needs place funding) and to other early years providers; centrally held schools block items such as the growth fund belong in the central expenditure column.
- G: Changes to the initial distribution, for example adjustments for exclusions or the final early years block adjustment for 2020/21 made during 2021/22 on the basis of January 2021 numbers or top-up funding.
- H: Budgeted distribution of DSG as at the end of the financial year.
- I: Actual amount of central expenditure items in 2021/22 – amounts not actually spent, eg money that is moved into earmarked reserves, should be included in items L20 or L21 as carried forward.
- J: Amount of ISB actually distributed to schools (ISB is regarded for DSG purposes as spent by the authority once it is deployed to schools' budget shares). Note that budget shares include early years funding, sixth form funding and high needs place funding; they do not include high needs top-up funding, which is treated as central expenditure.
- K: Any contribution from the local authority in 2021/22 that will have the effect of substituting for DSG in funding the schools budget. Do not include any change in balances held by schools as they are not to be recorded in this note.
- L: In-year position at end of 2021/22, ie:
- For central expenditure, difference between final budgeted distribution of DSG (item H12) and actual expenditure (item I15), plus any local authority contribution (item K17).
 - For ISB, difference between final budgeted distribution (item H13) and amount actually deployed to schools (item J16), plus any local authority contribution (item K18).
- M: Plus/minus any carry-forward to 2022/23 already agreed (Item E5).
- N: Total is carry-forward on central expenditure (item L20) plus carry-forward on ISB (item L21) plus/minus any carry-forward to 2022/23 already agreed (item E5). To be entered in this line, this can only be a surplus or zero; if it results in a deficit, enter zero. Any in-year deficit in 2021/22 must be recorded as part of the DSG unusable reserve (item P26).
- O: DSG unusable reserve at end of 2020/21 (if any) – any amount placed in the unusable reserve at the end of 2020/21 in accordance with the MHCLG amending regulations.
- P: Any addition to DSG unusable reserve in 2021/22 as a result of an in-year deficit in 2021/22; figure 24 is to be entered here rather than at N when it is a deficit.
- Q: Total of DSG unusable reserve at end of 2021/22; this is the total of O25 and P26.
- R: Net DSG position at the end of 2021/22; this is a memorandum item designed to show the overall position on DSG. It is calculated by taking the figure (if any) at N24 and deducting the figure (if any) at Q27, and will therefore show any net deficit that the local authority would have if the unusable reserve were not held separately

33. Grant Income

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement:

Grant Income Credited to Services	2021/22 £000s	2022/23 £000s
Dedicated Schools Grant (DSG) (including PSV)	(£129,716)	(£129,187)
Housing Benefit Subsidy - Rent Allowances	(£21,259)	(£21,124)
Housing Benefit Subsidy - Rent Rebates	(£12,408)	(£11,394)
Pupil Premium Grant	(£5,467)	(£5,475)
COVID 19 grants	(£48,194)	(£4,492)
Asylum Seekers (UASC)	(£367)	(£556)
Discretionary Housing payments	(£270)	(£421)
Other Government Grants	(£6,992)	(£11,775)
Total	(£224,673)	(£184,424)

Taxation and Non-Specific Grant Income	2021/22 £000s	2022/23 £000s
Business Rates Top-Up and S31 Compensation Grants	(£20,932)	(£19,571)
<u>Non-ringfenced Government Grants:</u>		
Social Care Support Grant	(£5,696)	(£7,841)
Improved Better Care Fund	(£7,404)	(£7,628)
Lower Tier and Services Grant	(£253)	(£2,753)
Housing Benefit Administration Grants	(£762)	(£748)
Market Sustainability	£0	(£551)
Independent Living Fund	(£288)	(£288)
Council Tax Rebates & BR Reliefs New Burdens	£0	(£208)
Council Tax Rebate Administration Grant	£0	(£102)
New Homes Bonus	(£253)	(£47)
COVID-19 Grants	(£5,033)	£0
Local Council Tax Support Grant	(£2,081)	£0
Other Government Grants	(£9)	(£10)
Non-ringfenced Government Grants	(£21,779)	(£20,176)
<u>Capital Grants and Contributions:</u>		
DfE Schools Capital Grants	(£8,552)	(£5,474)
DLUHC Levelling Up Funding	(£3,500)	(£5,186)
DfT (GMCA) Highways Funding	(£4,957)	(£4,416)
TfGM Local Authority Delivered Transport Schemes	(£1,579)	(£2,490)
GMCA Delivery of Public Sector Decarbonisation Scheme (PSDS) Grant	(£764)	(£1,453)
DLUHC Disabled Facilities Grant	£0	(£1,141)
BEIS Social Housing De-Carbonisation Fund (SHDF)	£0	(£963)
DLUHC Traveller Site Fund	£0	(£630)
DCMS Greater Manchester Local Full Fibre Network (LFFN) Grant	(£1,390)	£0
DLUHC Brownfield Land Release Funding	(£944)	£0
Other Capital Grants and Contributions	(£83)	(£155)
Capital Grants and Contributions	(£21,769)	(£21,908)
Total	(£64,480)	(£61,656)

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

Revenue Grants Received in Advance (Current)	Balance 31 March 2021 £000s	Receipts 2021/22 £000s	Applied 2021/22 £000s	2022/23 £000s	Receipts 2022/23 £000s	Applied 2022/23 £000s	2022/23 £000s
UK Shared Prosperity Fund	£0	£0	£0	£0	(£334)	£0	(£334)
DLUHC Distribution of the Levy Account Surplus (2324 LGFS)	£0	£0	£0	£0	(£302)	£0	(£302)
DfE Schools Grants	£0	(£483)	£0	(£483)	(£211)	£483	(£211)
Digital Inclusion	£0	£0	£0	£0	(£118)	£0	(£118)
Evergreen Funding	£0	£0	£0	£0	(£75)	£0	(£75)
DfE Non-Schools Grants	£0	(£129)	£0	(£129)	(£27)	£129	(£27)
Supplemental Substance Misuse Treatment & Recovery Grant	£0	£0	£0	£0	(£6)	£0	(£6)
Council Tax Rebate Scheme	£0	(£11,413)	£0	(£11,413)	£0	£11,413	£0
Covid Additional Relief Fund	£0	(£3,022)	£0	(£3,022)	£0	£3,022	£0
Sports England and similar	(£63)	(£247)	£63	(£247)	£0	£247	£0
Planning Grant	£0	(£165)	£0	(£165)	£0	£165	£0
Public Health/Substance Misuse	£0	(£77)	£0	(£77)	£0	£77	£0
Bury Adult Learning Centre	(£4)	£0	£4	£0	£0	£0	£0
Miscellaneous Grants	(£6)	£0	£6	£0	£0	£0	£0
Total	(£73)	(£15,536)	£73	(£15,536)	(£1,073)	£15,536	(£1,073)

Capital Grants received in Advance (Non-Current)	Balance 31 March 2021 £000s	Receipts 2021/22 £000s	Applied 2021/22 £000s	2022/23 £000s	Receipts 2022/23 £000s	Applied 2022/23 £000s	2022/23 £000s
DLUHC Disabled Facilities Grant	(£2,343)	(£2,073)	£0	(£4,416)	(£954)	£0	(£5,370)
DLUHC Levelling Up Funding	£0	(£4,146)	£0	(£4,146)	(£1,200)	£0	(£5,346)
DfE Schools Capital Grants	(£34)	(£95)	£108	(£21)	(£602)	£68	(£555)
DoH Social Care Single Capital Pot	(£459)	£0	£0	(£459)	£0	£0	(£459)
DfT (GMCA) Highways Funding	(£199)	(£160)	£34	(£325)	(£112)	£26	(£411)
TfGM Local Authority Delivered Transport Schemes	(£211)	(£194)	£135	(£270)	(£175)	£108	(£337)
Homes England	(£69)	(£71)	(£67)	(£207)	(£34)	£0	(£241)
The Veolia Environmental Trust	£0	(£49)	£0	(£49)	(£72)	£0	(£121)
Evergreen	£0	£0	£0	£0	(£117)	£0	(£117)
DCMS Greater Manchester Local Full Fibre Network (LFFN) Grant	£0	£0	£0	£0	(£69)	£0	(£69)
GMCA Delivery of Public Sector Decarbonisation Scheme (PSDS) Grant	£0	(£105)	£0	(£105)	£0	£95	(£10)
DLUHC Brownfield Land Release Funding	(£944)	£0	£934	(£10)	£0	£0	(£10)
DoH Social Care Single Capital Pot	£0	£0	£0	£0	£0	£0	£0
Other Capital Grants and Contributions	(£13)	(£4)	£9	(£8)	(£200)	£0	(£208)
Total	(£4,272)	(£6,897)	£1,153	(£10,016)	(£3,535)	£297	(£13,254)

34. Related Parties

The Council is required to disclose material transactions with related parties. Related parties are bodies, individuals or organisations that have the potential to control or significantly influence the Council or to be controlled or significantly influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the authority.

This note sets out details of transactions between related parties and the Council.

Central Government: the Government has significant influence over the general operations of the Council. It is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants for Council services and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills, housing benefits). Grants received in 2022/23 and outstanding at 31 March 2023 from government departments are shown in Note 33.

Members of the Council have direct control over the Council's financial and operating policies. Details of Members' interests, both pecuniary and non-financial are recorded in the Register of Members' Interests, which is open to public inspection. Members' interests are also available to view via the Council's web site.

The total of members' allowances paid in 2022/23 is shown in Note 29.

Corporate Directors and Service Directors are required on an annual basis to make a declaration of related parties. In addition, there is a code of conduct under which such officers must disclose any pecuniary and non-financial interests.

No such disclosures have been made for 2022/23.

Other Public Bodies [subject to common control by central government]

The Council has a pooled fund arrangement with NHS GM which encompasses Council Adult Social Care budgets and NHS commissioned expenditure, together with expenditure funded by the Better Care Fund and Improved Better Care Fund. For further details see Note 28 Pooled Funds.

Greater Manchester Combined Authority (GMCA)

GMCA co-ordinates key economic development, regeneration, transport and waste disposal functions. The Council pays levies to GMCA for transport and waste disposal functions and the following amounts are included in the Comprehensive Income and Expenditure Statement, within Other Operating Expenditure.

Related Parties	Restated 2021/22 £000s	2022/23 £000s
GM Waste Disposal Authority	£13,152	£13,384
GM Passenger Transport Authority	£12,963	£12,887
Environment Agency	£104	£108
Total	£26,219	£26,379

Entities controlled or significantly influenced by the authority

The Council prepares Group Accounts for entities where it has material financial interests and a significant level of control. The Bury Council Group comprises Six Town Housing Ltd, Persona Care and Support Ltd and Persona Group Ltd, and Bury MBC Townside Fields Ltd.

Related Party Transactions	2022/23			
	Receipts	Payments Management Fee	Payments Other	Outstanding Balances / Commitments
	£000s	£000s	£000s	£000s
Subsidiaries				
Six Town Housing Ltd.,	(£3,904)	£13,059	£12,228	(£4,002)
Persona Group Ltd., Persona Care and Support Ltd.,	(£766)	£11,731	£1,355	(£192)
Bury MBC Townside Fields Ltd.,	(£320)	£0	£0	£0
Total	(£4,990)	£24,790	£13,583	(£4,194)

Related Party Transactions	2021/22			
	Receipts	Payments Management Fee	Payments Other	Outstanding Balances / Commitments
	£000s	£000s	£000s	£000s
Subsidiaries				
Six Town Housing Ltd.,	(£3,795)	£13,059	£13,481	(£3,237)
Persona Group Ltd., Persona Care and Support Ltd.,	(£778)	£11,068	£1,444	(£90)
Bury MBC Townside Fields Ltd.,	(£313)	£0	£0	(£1,007)
Total	(£4,886)	£24,127	£14,925	(£4,334)

Six Town Housing Ltd was set up to manage and maintain the housing stock of Bury Council. Six Town Housing has no share capital and is wholly owned by the Authority. It is an ALMO (arms-length management organisation) of the Council and is a company limited by guarantee. It was incorporated on 30 October 2003.

Six Town Housing made a loss before tax of £1.140m in 2022/23 compared to a loss before tax of £2.191m in 2021/22. Bury Council paid management fees of £13.059m in 2022/23 (£13.059m in 2021/22) to Six Town Housing for the management of its housing stock.

The Persona group of companies comprise of Persona Group Ltd, and Persona Care and Support Ltd. These companies were formed to provide social care services to older people and people with disabilities. The company's share capital (Called up Share Capital £3) is wholly owned by Bury Council.

The Persona group of companies made profit before tax of £0.429m in 2022/23, compared to a profit before tax of £0.529m in 2021/22. Bury Council paid management fees of £11.731m in 2022/23 (£11.068m in 2021/22).

Bury MBC Townside Fields Ltd was formed to facilitate the development of Knowsley Place and was incorporated on 14 October 2009. The company's share capital (Ordinary Share Capital £1) is wholly owned by Bury Council.

Bury MBC Townside Fields Limited made a loss before tax of £0.475m in 2022/23, compared to a profit before tax of £0.598m in 2021/22. As at 31 March 2023, Bury Council has £7.257m invested in Bury MBC Townside Fields Ltd.

Bury Bruntwood (Millgate) LLP

A 50/50 Joint Venture company was formed on 25 January 2022, between the Council and Bruntwood LLP, to acquire, hold and manage the Millgate Estate and Shopping Centre, alongside the development of a long-term masterplan to secure and enhance the estate in line with other important town centre projects, including the Flexi Hall and transport interchange.

Bury Bruntwood (Millgate) LLP acquired the Mill Gate Estate and Shopping Centre in April 2022, that was funded by the Council through PWLB borrowing and providing loans totalling £20.350m to the Joint Venture.

Bury Bruntwood (Millgate) LLP made a profit of £800k before tax in 2022/23.

The Prestwich Regeneration LLP

Following the Council acquisition of the Longfield Shopping Centre in July 2021, a 50/50 Joint Venture company was formed on 19 October 2022, between the Council and MUSE Developments Ltd, to shape a new masterplan for the site, creating new spaces to help people and businesses to thrive, with a mix of high-quality homes and family-friendly spaces, as well as a new community hub that promotes health and wellbeing.

At the 31 March 2023, The Prestwich Regeneration LLP has only undertaken design works, as such there is no trading activity, as all the expenditure incurred is classed as work in progress on the Balance Sheet.

More information can be found at The Group Accounts section to the Statement of Accounts.

35. Capital Expenditure and Capital Financing Requirement

The total value of capital expenditure incurred during the year is disclosed in the table below (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

Capital Expenditure and Financing Requirement	2021/22 £000s	2022/23 £000s
Opening Capital Financing Requirement	£278,487	£293,025
Capital Investment		
Property Plant and Equipment	£41,394	£46,766
Heritage Assets	£0	£0
Investment Properties	£5	£0
Intangible Assets	£951	£205
Assets Held for Sale	£1	£8
Long-term Investment	£0	£0
Long-term Debtors	£0	£0
Revenue Expenditure Funded from Capital Under Statute	£3,385	£1,412
Source of Finance		
Capital Receipts	(£613)	(£254)
Government Grants And Other Contributions	(£15,258)	(£17,760)
Major Repairs Reserve	(£7,404)	(£7,012)
<i>Sums Set Aside from Revenue:</i>		
Direct Revenue Contributions	(£5,321)	(£5,951)
MRP/The Statutory Repayment of Loans Fund Advances	(£2,602)	(£1,675)
Closing Capital Financing Requirement	£293,025	£308,764
Explanation of movement in year		
Increase in Underlying Need to Borrow (Supported by Government Financial Assistance)	£0	£0
Increase in Underlying Need to Borrow (Unsupported by Government Financial Assistance)	£17,140	£17,414
Assets Acquired Under Finance Leases	£0	£0
Increase/(Decrease) in Capital Financing Requirement	£17,140	£17,414

36. Leases

Authority as Lessor

Operating Leases

The Council has numerous operating leasing agreements with private individuals and entities regarding shops, other premises and land where the Council acts as the lessor. The most significant of these is for land leased to Manchester Airport until 31.03.2085 for an annual rental of £530,526.

The future minimum lease payments receivable are shown in the table below:

Operating Leases - Lessor	2021/22 £000s	2022/23 £000s
Not later than one year	£3,123	£2,465
Later than one year and not later than five years	£8,716	£8,116
Later than five years	£133,047	£124,245
Total	£144,886	£134,826

Authority as Lessee

Operating Leases

The Council also leases land and buildings, vehicles, plant and other equipment under the terms of operating leases. The table below shows the future minimum lease payments due under non-cancellable leases in future years:

Operating Leases - Lessee	Land and Buildings £000s	Vehicles, Plant and Equipment £000s
Not later than one year	£1,637	£231
Later than one year and not later than five years	£5,374	£0
Later than five years	£10,956	£0
Total	£17,967	£231

Finance Leases

The assets acquired under these leases are carried as Property, Plant and Equipment in the Balance Sheet at the following net amounts:

Finance Leases - Lessee	31 March 2022 £000s	31 March 2023 £000s
Vehicles, Plant, Furniture and Equipment	£22	£0
Total	£22	£0

The Authority is committed to making minimum payments under these leases comprising settlement of the long-term liability for the interest in the property acquired by the Authority and finance costs that will be payable by the Authority in future years while the liability remains outstanding. The minimum lease payments are made up of the following amounts:

Finance Lease Liability	31 March 2022 £000s	31 March 2023 £000s
Finance Lease Liabilities (net present value of minimum lease payments)	£4	£4
Minimum Lease Payments	£4	£4

Finance Lease Liability	Minimum Lease Payments		Finance Lease Liabilities	
	31 March 2022 £000s	31 March 2023 £000s	31 March 2022 £000s	31 March 2023 £000s
Not later than 1 year	£4	£4	£4	£4
Later than 1 year not later than 5 years	£0	£0	£0	£0
Later than 5 years	£0	£0	£0	£0
Total	£4	£4	£4	£4

37. Pension Schemes Accounted for as Defined Contribution Schemes

Teachers' Pension Scheme

Teachers employed by the Council are members of the Teachers' Pension Scheme, administered by Capita Teachers' Pension on behalf of the Department for Education (DfE). The Scheme provides teachers with specified benefits upon their retirement and the Council contributes towards the cost by making contributions based on a percentage of scheme members' pensionable salaries.

The Scheme is a multi-employer defined benefit scheme. The scheme is unfunded and the Department for Education (DfE) uses a notional fund as the basis for calculating the employer's contribution rate paid by Local Authorities. Valuations of the notional fund are undertaken every four years.

The scheme has in excess of 3,700 participating employers and consequently the Council is not able to identify its share of the underlying financial position and performance of the scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2022/23, the Council paid £9.163m (£9.354m in 2021/22) to Capita Teachers Pensions in respect of teachers' retirement benefits, representing 23.68% (23.68% in 2021/22) of pensionable pay.

The Council is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis as detailed below.

The Council is not liable to the scheme for any other entities' obligations under the plan.

NHS Pension Scheme

Public Health employees are members of the NHS Pension Scheme, administered by the EA Finance NHS Pensions. This scheme provides its members with specified benefits on their retirement and the Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The NHS Pension Scheme is operated in a similar way to the Teachers' Pension Scheme, in that Employer Contributions are set nationally and all contributions from employers and employees are paid into one pot.

In 2022/23, the Council paid £0.053m (£0.09m in 2021/22) to the EA Finance NHS Pensions for members of the NHS pension scheme's retirement benefits, representing 14.38% (14.38% in 2021/22) of pensionable pay.

The Council is responsible for any additional benefits awarded upon early retirement outside of the terms of the NHS pension scheme. These costs are accounted for on a defined benefit basis as detailed below.

38. Defined Benefit Pension Schemes

As part of the terms and conditions of employment of its officers, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement.

All employees (except teachers and members of the NHS pension scheme) are, unless they have opted out, members of the Greater Manchester Pension Fund which is administered by Tameside MBC and operates in accordance with the rules of the Local Government Pension Scheme (LGPS). This is a funded defined benefit career average (previously final salary scheme), meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

The Greater Manchester Pension Scheme is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the pension committee of Tameside Council. Policy is determined in accordance with the Pension fund Regulations. The investment managers of the fund are appointed by the committee and consist of the Director of Finance and Resources of Tameside Council.

The principal risks to the Council of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts required by statute as described in the accounting policies note.

Discretionary Post-retirement Benefits

Discretionary post-retirement benefits on early retirement are an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. There are no plan assets built up to meet these pension liabilities, and cash has to be generated to meet actual pension payments as they may eventually fall due.

Transactions Relating to Post-employment Benefits

The cost of retirement benefits in the reported cost of services is recognised when they are earned by the employees, rather than when the benefits are eventually paid as pensions. However, the charge that is required to be made against Council Tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement.

The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

Comprehensive Income and Expenditure Statement	2021/22 £000s	2022/23 £000s
Cost of Services:		
Service Cost Comprising:		
Current Service Cost	£37,407	£35,559
Past Service Cost (including curtailments)	£682	£0
(Gain)/Loss from Settlements	£0	(£2,958)
Total Service Cost	£38,089	£32,601
Financing and Investment Income and Expenditure:		
Interest income on scheme assets	(£16,727)	(£24,793)
Interest cost on defined benefit obligation	£24,061	£30,851
Total Net Interest Expense	£7,334	£6,058
Total Post Employment Benefits Charged to the (Surplus)/Deficit on the Provision of Services	£45,423	£38,659
Other Post-Employment Benefits Charged to the Comprehensive Income and Expenditure Statement		
Remeasurements of the Net Defined Liability Comprising:		
Return on Plan Assets (excluding amounts included in net interest)	(£76,949)	£4,586
Actuarial Gains/(Losses) Arising from Changes in Demographic Assumptions	(£10,820)	(£14,504)
Actuarial Gains/(Losses) arising from changes in financial assumptions	(£78,968)	(£399,270)
Other Experience and Actuarial Adjustments	£1,379	£78,666
Total remeasurements recognised in other comprehensive income	(£165,358)	(£330,522)
Total Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	(£119,935)	(£291,863)
Movement in Reserves Statement:		
Reversal of Net Charges Made to the (Surplus)/Deficit on the Provision of Services for Post Employment Benefits in Accordance with the Code	(£45,423)	(£38,659)
Actual Amount Charged Against the General Fund Balance for Pensions in the Year:		
Employers' Contributions Payable to the Scheme & Benefits Paid	£17,246	£18,293

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amounts included in the Balance Sheet arising from the council's obligation in respect of its defined benefit scheme is as follows:

Pensions Assets and Liabilities Recognised in the Balance Sheet	2021/22 £000s	2022/23 £000s
Fair Value of Plan Assets	£926,165	£897,213
Present Value of Funded Liabilities	(£1,118,607)	(£783,947)
Present Value of Unfunded Liabilities	(£26,969)	(£22,521)
Net Asset / (Liability) Arising From Defined Benefit Obligation	(£219,411)	£90,745

Reconciliation of the Movements in Fair Value of Scheme (Plan) Assets

Reconciliation of the Movement in Fair Value of Scheme (Plan) Assets	2021/22 £000s	2022/23 £000s
Opening Fair Value of Scheme Assets	£841,328	£926,165
Interest Income	£16,727	£24,793
Remeasurement Gain/(Loss):		
Return on Plan Assets Excluding Amounts Included in Net Interest Expense	£76,949	(£4,586)
Other Experience and Actuarial Adjustments	£0	(£39,010)
Contributions from The Employer into the Scheme	£14,833	£15,986
Contributions from Employees into the Scheme	£4,575	£5,042
Benefits Paid	(£28,247)	(£27,686)
Other: Settlements	£0	(£3,491)
Closing Fair Value of Scheme Assets	£926,165	£897,213

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)	2021/22 £000s	2022/23 £000s
Opening Balance at 1 April	(£1,197,920)	(£1,145,576)
Current Service Cost	(£37,407)	(£35,559)
Interest Cost	(£24,061)	(£30,851)
Contributions from Scheme Participants	(£4,575)	(£5,042)
Remeasurement (Gains)/Losses :		
Actuarial (Gains)/Losses Arising from Changes in Demographic Assumptions	£10,820	£14,504
Actuarial (Gains)/Losses Arising from Changes in Financial Assumptions	£78,968	£399,270
Other Experience and Actuarial Adjustments	(£1,379)	(£39,656)
Past Service Cost (including curtailments)	(£682)	£0
Liabilities Assumed on Entity Combinations	£0	£0
Benefits Paid	£30,660	£29,993
Liabilities Extinguished on Settlements	£0	£6,449
Opening Balance at 31 March	(£1,145,576)	(£806,468)

Local Government Pension Scheme Assets Comprised

Fair Value of Scheme Assets	Period Ended 31 March 2022				Period Ended 31 March 2023			
	Quoted Prices in Active Markets £000s	Quoted Prices not in Active Markets £000s	TOTAL £000s	Percentage of Total Assets	Quoted Prices in Active Markets £000s	Quoted Prices not in Active Markets £000s	TOTAL £000s	Percentage of Total Assets
Equity Securities:								
Consumer	£61,295	£0	£61,295	7%	£53,908	£0	£53,908	6%
Manufacturing	£60,472	£0	£60,472	7%	£49,602	£0	£49,602	6%
Energy and Utilities	£50,048	£0	£50,048	5%	£44,290	£0	£44,290	5%
Financial Institutions	£91,549	£0	£91,549	10%	£76,547	£0	£76,547	9%
Health and Care	£48,462	£0	£48,462	5%	£44,937	£0	£44,937	5%
Information Technology	£45,229	£0	£45,229	5%	£63,325	£0	£63,325	7%
Other	£10,355	£0	£10,355	1%	£10,201	£0	£10,201	1%
Debt Securities								
Corporate Bonds (investment grade)	£35,567	£0	£35,567	4%	£35,756	£0	£35,756	4%
Corporate Bonds (non-investment grade)	£0	£0	£0	0%	£0	£0	£0	0%
UK Government	£17,255	£0	£17,255	2%	£21,441	£0	£21,441	2%
Other	£29,334	£0	£29,334	3%	£26,706	£0	£26,706	3%
Private Equity								
All	£0	£67,751	£67,751	7%	£0	£67,112	£67,112	8%
Real Estate								
UK Property	£0	£41,995	£41,995	5%	£0	£34,907	£34,907	4%
Overseas Property	£0	£0	£0	0%	£0	£0	£0	0%
Investment Funds and Unit Trusts								
Equities	£57,952	£0	£57,952	6%	£47,926	£0	£47,926	5%
Bonds	£90,848	£0	£90,848	10%	£79,619	£0	£79,619	9%
Infrastructure	£0	£62,040	£62,040	7%	£0	£71,698	£71,698	8%
Other	£16,800	£108,512	£125,312	14%	£21,872	£124,606	£146,478	16%
Derivatives								
Other	(£5,150)	£0	(£5,150)	-1%	£0	£0	£0	0%
Cash and Cash Equivalents								
All	£35,851	£0	£35,851	4%	£22,760	£0	£22,760	3%
Total Assets	£645,867	£280,298	£926,165	100%	£598,890	£298,323	£897,213	100%

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc.

Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Hymans Robertson LLP, an independent firm of actuaries, estimates being based on the latest full valuation of the scheme as at 31 March 2023.

The significant assumptions used by the actuary have been:

Significant Assumptions	2021/22	2022/23
Mortality Assumptions:		
Longevity at 65 for Current Pensioners:		
- men	20.3	20.6
- women	23.2	23.6
Longevity at 65 for Future Pensioners:		
- men	21.6	21.3
- women	25.1	25.1
Rate of Inflation	3.20%	2.95%
Rate of Increase in Salaries	3.95%	3.75%
Rate of Increase in Pensions	3.20%	2.95%
Rate for Discounting Scheme Liabilities	2.70%	4.75%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant.

The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Change in Assumptions at 31 March 2023	Approximate % Increase to Defined Benefit Obligation	Approximate Monetary Amount (£000s)
0.1% Decrease in Real Discount Rate	2%	£13,377
0.1% Increase in the Salary Increase Rate	4%	£32,259
0.1% Increase in the Pension Increase Rate	0%	£1,366
1 year Increase in Member Life Expectancy	2%	£12,208

Impact on the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed on 31 March 2023.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides regulations for the scheme to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits.

The Council's estimated Employer's contributions for the period to 31 March 2024 will be approximately £15,206,000.

Bury Pension Guarantees

The Council has pension guarantees in place for two organisations Addiction Dependency Solutions and Persona Care and Support Ltd. The guarantees identified are those which the Council has an agreement in place with GMPF. Valuations have been obtained on both an on-going and cessation basis.

We have determined that these pension guarantees meet the definition of an insurance contract in accordance with IFRS4. IFRS4 defines an insurance contract as:

A contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

The Council is the insurer and through the provision of the pension guarantee is accepting the risk of the admission body being unable to fund the benefits earned by its employees.

We have assessed the nature and extent of potential liabilities in respect of these guarantees and the likelihood of cash outflow is low. If any guarantee was invoked, this would be valued on an ongoing basis as the net surplus/liability would be added to the BMBC sub fund as we are a continuing employer.

The overall net surplus/deficit position for guarantees valued on an ongoing basis is a net surplus position – because there is a net surplus and because the likelihood of cash outflow is considered to be remote, no liabilities have been included in the Council's financial statements at 31 March 2023.

The Council has agreed to meet all contributions to retirement benefit schemes that are the responsibility of Six Town Housing in respect of both transferred and new staff by way of periodic management fee payments to them. The Council has also accepted responsibility for any liabilities of Six Town Housing in respect of transferred employees' early retirement which may arise subsequent to the Transfer Date. It will (in relation to those transferred Employees who are members of the Local Government Pension Scheme) upon demand make such payments to the Administering Authority as are necessary to ensure the accrued benefits of the Transferred Employees, whilst in the service of the Council, are fully funded.

39. Contingent Liabilities

A contingent liability is a potential liability which depends on the occurrence or non-occurrence of one or more uncertain future events. The Council has identified the following contingent liabilities as at 31 March 2023.

Municipal Mutual Insurance Ltd

On 30 September 1992 the Council's then insurers, MMI Ltd, announced that they were no longer accepting new business. On the 13 November 2012 the directors of MMI triggered a Scheme of Arrangement which now means that the Council may be required to repay amounts for claims previously settled. The scheme provides that following a Trigger Event a levy may be imposed on all those creditors that have been paid in respect of established scheme liabilities, this rate is currently 25%.

The established scheme liabilities of gross claim payments at 31 March 2023 is £2.190m which would attract a levy of £0.535m should a Trigger Event arise. The amended liability that the Council may be required to repay is £1.655m (£2.190m less £0.535m levy) in respect of claims previously settled.

There is 1 outstanding claim with MMI totalling £0.015m.

40. Contingent Assets

A contingent asset is an asset that may be received but only if a future event occurs that is not under the control of the Council. The Council has identified no contingent assets as at 31 March 2023.

Housing Revenue Account

Income and Expenditure Statement

This statement shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices rather than the amount to be funded from rents and government grants. Authorities charge rents to cover expenditure in accordance with legislative framework; this may be different from the accounting cost. The increase or decrease in the year, on the basis of which rents are raised, is shown in the Movement on the HRA Statement.

Since April 2005 the Council's housing stock has been managed by an Arm's Length Management Organisation, Six Town Housing.

HRA Income and Expenditure Statement	Note	2021/22 £000s	2022/23 £000s
Income			
Dwelling Rents		(£30,393)	(£31,549)
Non-Dwelling Rents		(£192)	(£212)
Charges for Services and Facilities		(£1,019)	(£1,020)
Contributions Towards Expenditure		(£250)	(£277)
Sums Directed by the Secretary of State that are Income in Accordance with Proper Practices		£0	£0
Total Income		(£31,854)	(£33,058)
Expenditure			
Repairs and Maintenance		£6,886	£6,915
Supervision and Management		£8,110	£9,736
Rents, Rates, Taxes & Other Charges		£22	£37
Depreciation, Impairment and Revaluation Losses of HRA Non-current Assets		(£6,334)	£3,250
Debt Management Costs		£41	£44
Movement in the Allowance for Bad Debts		£288	£290
Total Expenditure		£9,013	£20,272
Net Cost of HRA Services as included in the Comprehensive Income and Expenditure Statement		(£22,841)	(£12,786)
HRA Services Share of Corporate and Democratic Core		£400	£400
Net Cost of HRA Services		(£22,441)	(£12,386)
HRA Share of Operating Income and Expenditure included in the Comprehensive Income and Expenditure Statement:			
(Gain)/Loss on Sale of HRA Non-Current Assets		(£596)	(£734)
Interest Payable and Similar Charges		£4,209	£4,266
Interest and Investment Income		(£20)	(£220)
(Surplus) or Deficit for the Year on HRA Services		(£18,847)	(£9,075)

Movement on the Housing Revenue Account Statement

Movement on the HRA Statement		2021/22 £000s	2022/23 £000s
Balance on the HRA at the End of the Previous Reporting Period		(£10,422)	(£9,843)
(Surplus) or Deficit for the Year on the HRA Income and Expenditure Statement		(£18,847)	(£9,075)
Adjustments between Accounting Basis and Funding Basis Under Statute		£19,427	£9,741
Net (Increase) or Decrease before Transfers to or from Reserves		£580	£666
Transfers to/(from) Earmarked Reserves		£0	£0
(Increase) or Decrease in Year on the HRA		£580	£666
Balance on the HRA at the End of the Current Reporting Period		(£9,843)	(£9,176)

Adjustments between Accounting Basis and Funding Basis Under Statute

Adjustments between Accounting Basis and Funding Basis Under Statute		2021/22 £000s	2022/23 £000s
Analysis of Adjustments between Accounting Basis and Funding Basis Under Statute			
Gain or Loss on Sale of HRA Non-Current Assets		£596	£734
Capital Expenditure Funded by the HRA		£5,107	£5,246
Transfer to/from the Major Repairs Reserve		£7,389	£7,012
Transfer to/from the Capital Adjustment Account		£6,334	(£3,250)
Net Adjustment		£19,427	£9,741

Notes to the Housing Revenue Account

01. Housing Stock

In preparing the HRA budget, the Council needs to estimate the total level of income it can raise from rents. In doing so it takes account of current rental income, any likely changes in the size and composition of the Housing Stock and the estimated loss of income from unoccupied dwellings.

The numbers of each type of property at 31st March were:

Housing Stock	2021/22	2022/23
Flats & maisonettes	3,325	3,330
Bungalows	768	727
Houses	3,732	3,694
Total	7,825	7,751

The above housing stock numbers excludes 60 (46 in 2021/22) of Council houses that were disposed during the financial year.

The total capital receipts realised from the disposal of Council houses during the year was £3.286m (£2.545m in 2021/22). The figure represents the total selling price of Council houses (net of Right to Buy discount) and other repaid discounts relating to previous sales.

The value of the housing stock was:

Housing Stock Value	2021/22 £000s	2022/23 £000s
Dwellings	£221,469	£233,599
Land	£62,910	£65,138
Shops, Offices and Garage Colonies	£3,108	£2,767
Total	£287,487	£301,504

02. Vacant Possession

The Vacant Possession Value (VPV) of dwellings within the Council's HRA as at 31 March 2023 was £736.9m representing an increase of approximately 2.9% over the 31 March 2022 figure of £716.4m.

The new value was established as a result of the revaluation of the Housing Stock completed in the year.

The VPV is an opinion of the best sale price that could have been obtained for the properties on the date of the valuation. The Balance Sheet value of dwellings within the HRA contains an adjustment factor advised by Government to reflect the fact that the properties have sitting tenants enjoying sub-market rents and rights, including 'right-to-buy'. This reflects the economic cost to the Government of providing council housing at less than open market rents.

The current adjustment factor for the North West and Merseyside Region originally set from April 2016 at 40% by DCLG remains, resulting in an adjusted value of £294.7m at the valuation in 2023.

03. Major Repairs Reserve (MRR)

The Major Repairs Allowance (MRA), that used to be paid in past years as part of the HRA subsidy provided authorities with the resources needed to maintain the value of their housing stock over time.

Under the new self-financing model Authorities can use, based on a componentised calculation for depreciation, that is transferred during the year into the Major Repairs Reserve and equates to an amount not less than the previous MRA amount.

Major Repairs Reserve (MRR)	2021/22 £000s	2022/23 £000s
Balance as at 1st April	£14	£0
Transferred to MRR During the Year	£7,389	£7,012
Debits in Respect of Financing Capital Expenditure within HRA	(£7,403)	(£7,012)
Balance as at 31st March	£0	£0

04. Capital Expenditure within HRA

The 1989 Act gives local authorities the discretion to finance expenditure for HRA capital purposes from the HRA.

Capital Expenditure within the HRA	2021/22 £000s	2022/23 £000s
Total capital expenditure within the HRA	£12,511	£13,297
Financed by:		
Capital Receipts	£0	£0
Government Grants And Other Contributions	£0	£964
Major Repairs Reserve	£7,403	£7,012
Direct Revenue Contributions	£5,108	£5,246
Borrowing	£0	£76
Total	£12,511	£13,297

05. Depreciation

The HRA is charged an amount for depreciation of assets.

HRA Depreciation	2021/22 £000s	2022/23 £000s
Council Dwellings	£7,390	£6,970
Shops, Offices and Garage Colonies	£46	£42
Total	£7,436	£7,012

06. Impairment Charges

The HRA is charged an amount for the impairment charges of assets in respect of capital expenditure not adding value to the housing stock and other property within the HRA.

HRA Impairment Charge	2021/22 £000s	2022/23 £000s
Council Dwellings	£12,518	£0
Shops, Offices and Garage Colonies	£0	£0
Total	£12,518	£0

07. Revenue Expenditure Funded From Capital Under Statute

No revenue expenditure funded from capital under statute is attributable to the HRA.

08. Rent Arrears / Impairment Allowance

Rent Arrears

The rent arrears as at 31 March 2023 totalled £1.926m, and at 31 March 2022 totalled £1.902m.

Of the arrears 71.46% at 31 March 2023 related to current tenants (70.25% at 31st March 2022) and 28.54% related to former tenants (29.75% at 31st March 2022).

Impairment Allowance

Rents Impairment Allowance	2021/22 £000s	2022/23 £000s
Opening credit loss Provision	£1,882	£1,774
Additional Provisions Made In-Year	£288	£297
Amounts Written-off In-Year	(£396)	(£161)
Net increase / (decrease)	(£108)	£136
Closing Impairment Allowance	£1,774	£1,910

The Collection Fund

Collection Fund Statement:

Income and Expenditure Account	Note	2021/22 Council Tax £000s	2021/22 NNDR £000s	2021/22 Total £000s	2022/23 Council Tax £000s	2022/23 NNDR £000s	2022/23 Total £000s
Income							
Council Tax		(£114,397)	£0	(£114,397)	(£120,672)	£0	(£120,672)
Council Tax Annexe Grant		(£1)	£0	(£1)	(£1)	£0	(£1)
Business Rates Receivable		£0	(£39,424)	(£39,424)	£0	(£43,634)	(£43,634)
Contributions towards Previous Year's Deficit:							
Bury MBC		(£464)	(£24,892)	(£25,356)	£0	(£12,362)	(£12,362)
Police		(£60)	£0	(£60)	£0	£0	£0
Fire		(£26)	(£251)	(£277)	£0	(£125)	(£125)
Total Income		(£114,948)	(£64,567)	(£179,515)	(£120,673)	(£56,121)	(£176,794)
Expenditure							
Precepts and Demands on Collection Fund:							
Bury MBC		£91,060	£49,859	£140,919	£96,842	£45,708	£142,550
Police		£11,751	£0	£11,751	£12,696	£0	£12,696
Fire		£4,896	£504	£5,400	£5,725	£462	£6,187
Central Government		£0	£0	£0	£0	£0	£0
Transitional Protection Payments		£0	£1,962	£1,962	£0	£187	£187
Cost of Collection		£0	£237	£237	£0	£235	£235
Impairment of Debts/Appeals:							
Write-offs of Uncollectable Amounts		£128	£180	£308	£240	£1,274	£1,514
Increase/(Decrease) in the Allowance for Impairment of Debt		£1,611	£499	£2,110	£3,992	(£97)	£3,895
Increase/(Decrease) in the Allowance for Impairment of Arrears		£0	(£2,466)	(£2,466)	£0	£2,419	£2,419
Contributions towards Previous Year's Surplus:		£0	£0	£0			
Bury MBC		£0	£0	£0	£4,534	£0	£4,534
Police		£0	£0	£0	£585	£0	£585
Fire		£0	£0	£0	£245	£0	£245
Total Expenditure		£109,446	£50,775	£160,221	£124,859	£50,188	£175,047
Opening Fund Balance		£600	£28,140	£28,740	(£4,902)	£14,348	£9,446
Closing Fund Balance		(£4,902)	£14,348	£9,446	(£716)	£8,415	£7,699
Movement on Fund Balance		(£5,502)	(£13,792)	(£19,294)	£4,186	(£5,933)	(£1,747)

Notes to the Collection Fund Statement

01. Council Tax

Band	Valuation	Total Number of Dwellings	Specified Ratio	Band D Equivalent
A reduced	Less than £40,000	41	5/9	23
A	Less than £40,000	19,763	6/9	13,174
B	£40,000 to £52,000	15,101	7/9	11,745
C	£52,000 to £68,000	15,107	8/9	13,429
D	£68,000 to £88,000	8,653	9/9	8,653
E	£88,000 to £120,000	5,164	11/9	6,311
F	£120,000 to £160,000	1,758	13/9	2,540
G	£160,000 to £320,000	1,208	15/9	2,014
H	More than £320,000	171	18/9	341
Total		66,966		58,231
Less Allowance for Losses on Collection			-4.50%	(2,620)
Council Tax Base 2022/23				55,611

The actual number of properties was 84,443 but after adjusting for single person discounts, empty properties etc, the notional number of dwellings is 66,966

The Band D Council Tax levied for the year was £2,072.66 (£2,000.92 in 2021/22):

Band D Council Tax Levied	2021/22 £000s	2022/23 £000s
Bury Council	£1,691.67	£1,741.41
Greater Manchester Police Authority	£218.30	£228.30
Greater Manchester Fire & Civil Defence Authority	£90.95	£102.95
Total	£2,000.92	£2,072.66

02. National Non-Domestic Rates (NNDR)

The Council collects NNDR in respect of business premises by applying a rate poundage set by central Government to the rateable value of the premises.

The national multipliers for 2022/23 were 49.9p for qualifying small businesses (49.9p in 2021/22) and the standard multiplier being 51.2p for all other businesses (51.2p in 2021/22).

The estimated non-domestic rateable value of the Borough at 31 March 2023 is £129.26m (£129.98m as at 31 March 2022).

The Group Accounts

Introduction

The CIPFA Code of Practice requires that where a Council has material financial interests and a significant level of control over one or more entity, it should prepare Group Accounts. The aim of these statements is to give an overall picture of the Authority's financial activities and the resources employed in carrying out those activities.

Definitions

- A group is a parent and all its subsidiaries.
- Group accounts are the financial statements of a group in which the assets, liabilities, reserves, income, expenses and cash flows of the parent (reporting authority) and its subsidiaries plus the investments in associates and interests in joint ventures are presented as those of a single economic entity.
- A subsidiary is an entity, including an unincorporated entity such as a partnership that is controlled by another entity (known as the parent).
- A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Group Accounts Preparation

The Council has prepared the following Group Accounts due to:

The Council relationship with three organisations over which it has substantial control and influence that have been identified as Subsidiaries of Bury Council, of:

- Six Town Housing Ltd
- Bury MBC Townside Fields Ltd
- Persona Care and Support Ltd and Persona Group Ltd

Basis of consolidation, line-by-line consolidation

- Adding like items of assets, liabilities, reserves, income and expenses together line by line to those of other group members in the financial statements.
- Intragroup balances and transactions are eliminated in full.
- 100% of all other balances and transactions are consolidated

The two joint arrangements formed during 2022/23, whereby the Council has agreed to share joint control and has rights to the net assets of the arrangement, have been classed as a Joint Venture, of:

- Bury Bruntwood (Millgate) LLP
- The Prestwich Regeneration LLP

Basis of consolidation, equity method

- Adjusting the investment originally recognised at cost for the Councils post-acquisition change in its share of the net assets of the investee and including the Councils share of profits and losses in the group Comprehensive Income and Expenditure Statement.
- The Councils share of profits or losses generated by transactions between the group members (eg sales of assets) are eliminated.

The Group Accounts comprise the following key financial statements (with appropriate disclosures):

- Group Comprehensive Income and Expenditure Statement;
- Group Movement in Reserves Statement;
- Group Balance Sheet; and
- Group Cash Flow Statement.

Group Comprehensive Income and Expenditure Statement

2021/22			Comprehensive Income and Expenditure Statement		2022/23		
Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s	Description	Note	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s
£126,394	(£48,939)	£77,455	One Commissioning Organisation		£118,736	(£37,112)	£81,624
£204,184	(£157,519)	£46,665	Children, Young People & Culture		£228,977	(£162,706)	£66,271
£34,167	(£5,534)	£28,633	Corporate Core Services		£27,334	(£4,623)	£22,711
£45,130	(£44,050)	£1,080	Non Service Specific		£11,449	(£5,234)	£6,215
£13,778	(£6,992)	£6,786	Business, Growth & Infrastructure		£17,398	(£9,313)	£8,085
£53,895	(£23,271)	£30,624	Operations		£44,140	(£15,775)	£28,365
£33,908	(£33,962)	(£54)	Housing General Fund		£33,935	(£32,943)	£992
£5,646	(£29,575)	(£23,929)	Housing Revenue Account		£23,175	(£37,475)	(£14,300)
£517,102	(£349,842)	£167,260	Cost of Services		£505,144	(£305,181)	£199,963
£27,969	£0	£27,969	Other Operating Expenditure		£27,838	£0	£27,838
£15,019	(£4,590)	£10,429	Financing & Investment Income & Expenditure		£13,836	(£5,831)	£8,005
£0	(£199,173)	(£199,173)	Taxation & Non-Specific Grant Income & Expenditure		£0	(£199,460)	(£199,460)
£560,090	(£553,605)	£6,485	(Surplus) or Deficit On Provision of Services		£546,818	(£510,472)	£36,346
		£0	Share of the (Surplus) or Deficit on the Provision of Services by Associates and Joint Ventures	07			(£400)
		£250	Tax Expenses of Subsidiaries (Group)				£80
		£0	Tax Expenses of Associates and Joint Ventures				£0
£560,090	(£553,605)	£6,735	Group (Surplus) or Deficit		£546,818	(£510,472)	£36,026
		(£15,559)	(Surplus)/Deficit on Revaluation of Property, Plant & Equipment				(£45,372)
		£7,309	Impairment Losses on Non-Current Assets Charged to the Revaluation Reserve				£0
		£0	(Surplus)/Deficit from Investments in Equity Instruments Designated at Fair Value through Comprehensive Income				(£1,000)
		(£181,411)	Actuarial (gains)/losses on the Remeasurement of the Net Defined Benefit Liability/(Asset)				(£373,089)
		£0	Share of Other Comprehensive Income and Expenditure of Associates and Joint Ventures				£0
		(£189,661)	Total Other Comprehensive Income & Expenditure				(£419,461)
		(£182,926)	Total Comprehensive Income & Expenditure				(£383,435)

Group Movement in Reserves Statement

Movement in Reserves Statement 2022/23	Usable Reserves							Unusable Reserves	Total Reserves	Council Share of Reserves of Subsidiaries, Associates & Joint Ventures	Total Reserves
	General Fund Balance	Earmarked General Fund Reserves	Housing Revenue Account	Usable Capital Receipts	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves				
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April Brought Forward	(£24,468)	(£109,775)	(£9,843)	(£6,967)	£0	(£16,119)	(£167,172)	(£116,165)	(£283,337)	£2,733	(£280,604)
<i>Movement in Reserves During 2022/23:</i>											
Group (Surplus)/Deficit	£34,171	£0	(£22,481)	£0	£0	£0	£11,690	£0	£11,690	£24,336	£36,026
Other Comprehensive (Income) and Expenditure	£0	£0	£0	£0	£0	£0	£0	(£376,894)	(£376,894)	(£42,567)	(£419,461)
Total Comprehensive Income and Expenditure	£34,171	£0	(£22,481)	£0	£0	£0	£11,690	(£376,894)	(£365,204)	(£18,231)	(£383,435)
Adjustments between Group Accounts and Council Accounts	£8,765	£0	£13,407	£0	£0	£0	£22,172	£0	£22,172	(£22,172)	£0
Adjustments between Accounting Basis and Funding Basis Under Regulations	(£18,102)	£0	£9,741	(£3,923)	£0	(£4,149)	(£16,433)	£16,432	(£1)	£0	(£1)
Net (Increase)/Decrease before Transfers to Earmarked Reserves	£24,834	£0	£667	(£3,923)	£0	(£4,149)	£17,429	(£360,462)	(£343,033)	(£40,403)	(£383,436)
Transfers (to)/from Earmarked Reserves	(£23,065)	£23,065	£0	£0	£0	£0	£0	£0	£0	£0	£0
(Increase)/Decrease in Year	£1,769	£23,065	£667	(£3,923)	£0	(£4,149)	£17,429	(£360,462)	(£343,033)	(£40,403)	(£383,436)
Balance at 31 March Carried Forward	(£22,699)	(£86,710)	(£9,176)	(£10,890)	£0	(£20,268)	(£149,743)	(£476,627)	(£626,370)	(£37,670)	(£664,040)

The following table is provided for comparative purposes:

Movement in Reserves Statement 2021/22	Usable Reserves							Unusable Reserves	Total Reserves	Council Share of Reserves of Subsidiaries, Associates & Joint Ventures	Total Reserves
	General Fund Balance	Earmarked General Fund Reserves	Housing Revenue Account	Usable Capital Receipts	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves				
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April Brought Forward	(£30,882)	(£125,882)	(£10,422)	(£4,889)	(£14)	(£9,608)	(£181,697)	£68,063	(£113,634)	£15,956	(£97,678)
<i>Movement in Reserves During 2021/22:</i>											
Group (Surplus)/Deficit	£14,703	£0	(£31,489)	£0	£0	£0	(£16,786)	£0	(£16,786)	£23,521	£6,735
Other Comprehensive (Income) and Expenditure	£0	£0	£0	£0	£0	£0	£0	(£173,608)	(£173,608)	(£16,053)	(£189,661)
Total Comprehensive Income and Expenditure	£14,703	£0	(£31,489)	£0	£0	£0	(£16,786)	(£173,608)	(£190,394)	£7,468	(£182,926)
Adjustments between Group Accounts and Council Accounts	£8,049	£0	£12,642	£0	£0	£0	£20,691	£0	£20,691	(£20,691)	£0
Adjustments between Accounting Basis and Funding Basis Under Regulations	(£231)	£0	£19,426	(£2,078)	£14	(£6,511)	£10,620	(£10,620)	£0	£0	£0
Net (Increase)/Decrease before Transfers to Earmarked Reserves	£22,521	£0	£579	(£2,078)	£14	(£6,511)	£14,525	(£184,228)	(£169,703)	(£13,223)	(£182,926)
Transfers (to)/from Earmarked Reserves	(£16,107)	£16,107	£0	£0	£0	£0	£0	£0	£0	£0	£0
(Increase)/Decrease in Year	£6,414	£16,107	£579	(£2,078)	£14	(£6,511)	£14,525	(£184,228)	(£169,703)	(£13,223)	(£182,926)
Balance at 31 March Carried Forward	(£24,468)	(£109,775)	(£9,843)	(£6,967)	£0	(£16,119)	(£167,172)	(£116,165)	(£283,337)	£2,733	(£280,604)

Group Balance Sheet

31st March 2021 £000s	31st March 2022 £000s	Balance Sheet Description	2021 Note	31st March 2023 £000s
£554,985	£596,362	Property, Plant & Equipment		£653,952
£26,353	£26,353	Heritage Assets		£26,353
£24,168	£24,805	Investment Property		£25,779
£3,597	£3,744	Intangible Assets		£2,918
£12,953	£13,067	Long-Term Investments		£14,190
£0	£0	Investments In Associates & Joint Ventures	07	£10,771
£44,142	£47,162	Long-Term Debtors		£58,888
£0	£0	Net Pension Asset		£116,783
£666,198	£711,493	LONG TERM ASSETS		£909,634
£521	£5,504	Short-Term Investments		£469
£622	£624	Assets Held For Sale		£1,285
£1,177	£1,503	Stocks & Work in Progress		£1,937
£63,498	£47,107	Short-Term Debtors		£51,700
£21,051	£46,577	Cash and Cash Equivalents		£5,247
£86,869	£101,315	CURRENT ASSETS		£60,638
(£6,392)	(£14,344)	Short-Term Borrowing		(£40,589)
(£47,079)	(£42,469)	Short-Term Creditors		(£36,764)
(£3,948)	(£1,876)	Short-Term Provisions		(£1,776)
(£73)	(£15,536)	Revenue Grants in Advance		(£1,073)
(£57,492)	(£74,225)	CURRENT LIABILITIES		(£80,202)
(£27)	(£4)	Long-Term Creditors		(£4)
(£7,907)	(£5,964)	Long-Term Provisions		(£6,746)
(£201,095)	(£207,903)	Long-Term Borrowing		(£204,709)
(£1,613)	(£729)	Deferred Liabilities		(£657)
(£382,312)	(£232,704)	Pension Liability		£0
(£4,943)	(£10,675)	Capital Grants Receipts in Advance		(£13,913)
(£597,897)	(£457,979)	LONG TERM LIABILITIES		(£226,029)
£97,678	£280,604	NET ASSETS		£664,041
(£181,697)	(£167,172)	Usable Reserves		(£149,743)
£68,063	(£116,165)	Unusable Reserves		(£476,627)
£15,956	£2,733	Council Share of Reserves of Subsidiaries, Associates & Joint Ventures		(£37,671)
(£97,678)	(£280,604)	TOTAL RESERVES		(£664,041)

Group Cash Flow Statement

Cash Flow Statement	Note	Restated 2021/22 £000s	2022/23 £000s
Net (Surplus) or Deficit on the Provision of Services		£6,485	£36,346
Adjustment to Net (Surplus) or Deficit on the Provision of Services for Non-Cash Movements		(£56,308)	(£35,876)
Adjust for Items Included in the Net (Surplus) or Deficit on the Provision of Services that are Investing and Financing Activities		£25,899	£26,085
Net Cash flows from Operating Activities		(£23,924)	£26,555
Net Cash Flows from Investing Activities		£13,020	£37,180
Net Cash Flows from Financing Activities		(£14,621)	(£22,405)
Net Increase or (Decrease) in Cash and Cash Equivalents		(£25,526)	£41,330
Cash and Cash Equivalents at the Beginning of the Reporting Period		(£21,051)	(£46,577)
Cash and Cash Equivalents at the End of the Reporting Period		(£46,577)	(£5,247)

Operating Activities

The cash flows for Operating Activities include the following items:

Group - Operating Activities	Restated 2021/22 £000s	2022/23 £000s
Interest Received	(£1,086)	(£3,225)
Interest Paid	£8,047	£8,442
Dividends Received	£0	£0

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

Non-Cash Movements	Restated 2021/22 £000s	2022/23 £000s
Depreciation	(£15,006)	(£15,963)
Impairment and Downward Valuations	£12,278	(£12,431)
Amortisation	(£812)	(£1,054)
Increase/(Decrease) in Impairment for Credit Losses	(£2,400)	(£4,912)
Increase/(Decrease) in Creditors	(£12,367)	£17,486
(Increase)/Decrease in Debtors	(£7,997)	£8,922
(Increase)/Decrease in Inventories	£327	£432
Movement in Pension Liability	(£31,803)	(£23,602)
Carrying Amount of Non-current Assets and Non-current Assets Held for Sale, Sold or Derecognised	(£4,476)	(£5,637)
<i>Other Non-cash Items Charged to the Net (Surplus) or Deficit on the Provision of Services:</i>		
(Increase)/Decrease in Provisions	£3,940	(£588)
Movements in the Value of Investment Properties	£632	£975
(Increase)/Decrease in Accumulated Absences	£1,362	£496
Amortisation of Government Grants	£14	£0
	(£56,308)	(£35,876)

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

Investing and Financing Activities	Restated 2021/22 £000s	2022/23 £000s
Proceeds from Short-term (not considered to be cash equivalents) and Long-term Investments (includes investments in associates, joint ventures and subsidiaries)	£0	£0
Proceeds from the Sale of Property, Plant and Equipment, Investment Property and Intangible Assets	£4,130	£4,177
Grant Receipts for the Financing of New Capital Expenditure	£21,769	£21,908
	£25,899	£26,085

Investing Activities

Cash Flow Statement - Investing Activities	Restated 2021/22 £000s	2022/23 £000s
Purchase of Property, Plant and Equipment, Investment Property and Intangible Assets	£39,852	£49,296
Purchase of Short-term and Long-term Investments	£292,909	£339,002
Other Payments for Investing Activities	£203	£20,425
Proceeds from the Sale of Property, Plant and Equipment, Investment Property and Intangible Assets	(£4,130)	(£4,177)
Proceeds from Short-term and Long-term Investments	(£287,790)	(£344,049)
(Proceeds) from Other Long Term Loans	(£232)	(£847)
Grant (Receipts) for the Financing of New Capital Expenditure	(£27,793)	(£22,470)
Net Cash Flows from Investing Activities	£13,020	£37,180

Financing Activities

Cash Flow Statement - Financing Activities	Restated 2021/22 £000s	2022/23 £000s
Cash (Receipts) of Short-Term and Long-Term Borrowing	(£20,000)	(£36,000)
Cash (Receipts) from Other Short-Term and Long-Term Liabilities	£0	£0
Repayments of Short-Term and Long-Term Borrowing	£5,190	£13,192
Repayments of Other Short-Term and Long-Term Liabilities	£957	£1
Cash Payments for the Reduction of Outstanding Liabilities Relating to Finance Leases and on-Balance Sheet PFI Contracts	£23	£0
Discount/Premium on Early Repayment of Debt	£2	£2
Billing Authority Collection Fund Adjustments	(£793)	£400
Net Cash Flows from Financing Activities	(£14,621)	(£22,405)

Notes to the Group Accounts

Where figures in the Group accounts differ materially from the Council's accounts, the relevant explanatory notes have been prepared on a consolidated basis. The notes below give information on the areas that have materially changed on consolidation of the group entities into the Council's accounts.

The financial year of all the subsidiaries is the same as that of Bury Council, from 1 April to 31 March, therefore no adjustments are required regarding the accounting year.

The first full accounts of Bury Bruntwood (Millgate) LLP end on the 31 March 2023, however the first full accounts of The Prestwich Regeneration LLP end on 31 December 2023, financial statements prepared as at the 31 March 2023 have been used in the Group Accounts.

01. Accounting Policies

The accounting policies of the Council's consolidated subsidiary companies have been aligned with the Council's Accounting Policies set out in Note 1. Any statutory adjustments between the accounting basis and funding basis included in the Council's accounting policies do not apply to the subsidiary companies.

02. Bodies Consolidated

The Council has consolidated three of its Subsidiaries into its Group Accounts, these are Six Town Housing Ltd, Bury MBC Townside Fields Ltd and the Persona group of companies, Persona Care and Support Ltd and Persona Group Ltd.

Six Town Housing Ltd was set up to manage and maintain the housing stock of Bury Council. Six Town Housing has no share capital and is wholly owned by the Authority. It is an ALMO (arms-length management organisation) of the Council and is a company limited by guarantee. It was incorporated on 30 October 2003.

Percentage of voting rights:

The composition of the Board and the voting rights is as follows:

Board members	Members	% of voting Rights
Bury Council	3	30%
Tenant	2	20%
Independent*	5	50%
Advisory Director	1	-
<i>*Includes Independent Chair</i>	11	100

The related party transactions between Council Members on the board of Six Town Housing and Bury Council are detailed in Bury Council Statement of Accounts Note 34.

Six Town Housing's pre-audit accounts for the year ended 31 March 2023 have been used to prepare the group accounts. The company is audited by RSM UK Audit LLP.

Financial Transactions and Operations:

Six Town Housing made a loss before tax of £1.140m in 2022/23 compared to a loss before tax of £2.191m in 2021/22.

Bury Council paid management fees of £13.059m in 2022/23 (£13.059m in 2021/22) to Six Town Housing for the management of its housing stock.

As a wholly owned subsidiary, the Council is committed that, in the event of Six Town Housing being wound up to contribute up to the limit of the guarantee. After the satisfaction of all the debts and liabilities the remaining assets will be transferred to the Council's Housing Revenue Account.

Bury Council has made several loans to Six Town Housing at commercial rates of interest, of:

Loans by Bury Council to Six Town Housing						
	No of Years of Loan	2011/12 £000s	2013/14 £000s	2014/15 £000s	2015/16 £000s	Total £000s
Redbank Housing Project	35.50	£1,140				£1,140
Mortgage Rescue	18.00		£410	£166		£576
AGMA Loans	25.00			£1,869	£250	£2,119
TOTAL		£1,140	£410	£2,035	£250	£3,835

Bury MBC Townside Fields Ltd was formed to facilitate the development of Knowsley Place and was incorporated on 14th October 2009. The company's share capital (Ordinary Share Capital £1) is wholly owned by Bury Council.

Bury MBC Townside Fields Limited made a loss before tax of £0.475m in 2022/23, compared to a profit before tax of £0.598m in 2021/22.

As at 31 March 2023, Bury Council has £7.257m invested in Bury MBC Townside Fields Ltd.

Bury MBC Townside Fields Limited pre-audit accounts for the year ended 31 March 2023 have been used to prepare the group accounts. The company is audited by Horsfield and Smith Ltd.

The Persona group of companies comprise of Persona Group Ltd, and Persona Care and Support Ltd. These companies were formed to provide social care services to older people and people with disabilities. The company's share capital (Called up Share Capital £3) is wholly owned by Bury Council.

The Persona group of companies made profit before tax of £0.429m in 2022/23, compared to a profit before tax of £0.529m in 2021/22.

Bury Council paid management fees of £11.731m in 2022/23 (£11.068m in 2021/22).

The Persona Group of companies pre-audit accounts for the year ended 31 March 2023 have been used to prepare the group accounts. Both companies are audited by Horsfield and Smith Ltd.

Following the incorporation of the two Joint Ventures Bury Bruntwood (Millgate) LLP and The Prestwich Regeneration LLP, the Council has included the Council share of the Joint Ventures Net Assets and Financial Results into the Group Accounts for 2022/23.

Bury Bruntwood (Millgate) LLP (OC440763)

A 50/50 Joint Venture company was formed on 25 January 2022, between the Council and Bruntwood LLP, to acquire, hold and manage the Millgate Estate and Shopping Centre, alongside the development of a long-term masterplan to secure and enhance the estate in line with other important town centre projects, including the Flexi Hall and transport interchange.

Bury Bruntwood (Millgate) LLP acquired the Mill Gate Estate and Shopping Centre in April 2022, that was funded by the Council through PWLB borrowing and providing loans totalling £20.350m to the Joint Venture.

Bury Bruntwood (Millgate) LLP made a profit of £800k before tax in 2022/23.

Bury Bruntwood (Millgate) LLP management accounts for the year ended 31 March 2023 have been used to prepare the group accounts.

The Prestwich Regeneration LLP (OC444311)

Following the Council acquisition of the Longfield Shopping Centre in July 2021, a 50/50 Joint Venture company was formed on 19 October 2022, between the Council and MUSE Developments Ltd, to shape a new masterplan for the site, creating new spaces to help people and businesses to thrive, with a mix of high-quality homes and family-friendly spaces, as well as a new community hub that promotes health and wellbeing.

At the 31 March 2023, The Prestwich Regeneration LLP has only undertaken design works, as such there is no trading activity, as all the expenditure incurred is classed as work in progress on the Balance Sheet.

03. Plant, Property and Equipment

Six Town Housing's Property, Plant & Equipment are included as tangible assets; they are valued at either historical cost or fair value determined by DRC. Bury MBC Townside Fields Limited's Property, Plant & Equipment are also valued at historic cost in line with Bury Council's policy. Persona Care & Support Ltd accounts show no Property, Plant & Equipment.

Property, Plant and Equipment Note 2022/23	Council Dwellings £000s	Other Land & Buildings £000s	Vehicles, Plant & Equipment £000s	Community Assets £000s	Surplus Assets £000s	Assets Under Construction £000s	TOTAL £000s
Certified Value as at 1 April 2022	£295,877	£232,543	£24,071	£6,523	£22,206	£8,884	£590,104
Additions & Acquisitions	£13,364	£5,854	£2,596	£1,533	£13	£12,722	£36,082
Revaluations Recognised in the Revaluation Reserve	£2,780	£26,930	£0	£0	£4,456	£0	£34,166
Revaluations Recognised in the (Surplus)/Deficit on the Provision of Services	£0	(£16,507)	£0	£0	(£1,104)	£0	(£17,611)
Disposals	(£2,642)	(£2,299)	£0	£0	(£676)	£0	(£5,617)
Reclassifications & Asset Transfers	£0	£0	£70	£420	£373	(£3,357)	(£2,494)
Other Movements in Cost or Valuation	£0	£0	£0	£0	£0	£0	£0
Movement in Cost/Valuation	£13,502	£13,978	£2,666	£1,953	£3,062	£9,365	£44,526
Amount as at 31 March 2023	£309,379	£246,521	£26,737	£8,476	£25,268	£18,249	£634,630
Accumulated Depreciation & Impairments as at 1 April 2022	(£2,127)	(£18,736)	(£14,980)	(£2,146)	(£775)	£0	(£38,764)
Depreciation charged In-year	(£7,225)	(£4,462)	(£1,627)	£0	£0	£0	(£13,314)
Depreciation written out to the Revaluation Reserve	£3,756	£6,638	£0	£0	£0	£0	£10,394
Depreciation written out to (Surplus)/Deficit on Provision of Services	£3,762	£1,415	£0	£0	£0	£0	£5,177
Impairments Recognised in the Revaluation Reserve	£0	£0	£0	£0	£0	£0	£0
Impairments Recognised in the (Surplus)/Deficit on the Provision of Services	£0	£0	£0	£0	£0	£0	£0
Depreciation Written out on Disposal	£75	£99	£0	£0	£0	£0	£174
Reclassifications & Asset Transfers	£0	£0	£0	£0	£0	£0	£0
Other Movements in Depreciation and Impairment	£0	£0	£0	£0	£0	£0	£0
Movement in Depreciation & Impairment	£368	£3,690	(£1,627)	£0	£0	£0	£2,431
Amount as at 31 March 2023	(£1,759)	(£15,046)	(£16,607)	(£2,146)	(£775)	£0	(£36,333)
Opening NBV	£293,750	£213,807	£9,091	£4,377	£21,431	£8,884	£551,340
Total Movement	£13,870	£17,668	£1,039	£1,953	£3,062	£9,365	£46,957
Closing NBV	£307,620	£231,475	£10,130	£6,330	£24,493	£18,249	£598,297

The following table is provided for comparative purposes:

Property, Plant and Equipment Note 2021/22	Council Dwellings £000s	Other Land & Buildings £000s	Vehicles, Plant & Equipment £000s	Community Assets £000s	Surplus Assets £000s	Assets Under Construction £000s	TOTAL £000s
Certified Value as at 1 April 2021	£289,173	£226,342	£20,102	£5,456	£19,954	£4,957	£565,984
Additions & Acquisitions	£12,747	£10,503	£4,001	£1,067	£25	£5,398	£33,741
Revaluations Recognised in the Revaluation Reserve	£3,651	£290	£0	£0	£2,251	£0	£6,192
Revaluations Recognised in the (Surplus)/Deficit on the Provision of Services	£18,875	(£2,026)	£0	£0	(£24)	£0	£16,825
Disposals	(£1,938)	(£2,562)	(£32)	£0	£0	(£1,201)	(£5,733)
Reclassifications & Asset Transfers	£0	£0	£0	£0	£0	£0	£0
Other Movements in Cost or Valuation	(£26,631)	(£4)	£0	£0	£0	(£270)	(£26,905)
Movement in Cost/Valuation	£6,704	£6,201	£3,969	£1,067	£2,252	£3,927	£24,120
Amount as at 31 March 2022	£295,877	£232,543	£24,071	£6,523	£22,206	£8,884	£590,104
Accumulated Depreciation & Impairments as at 1 April 2021	(£16,106)	(£17,190)	(£13,863)	(£2,146)	(£775)	(£270)	(£50,350)
Depreciation charged In-year	(£7,488)	(£4,177)	(£1,125)	£0	£0	£0	(£12,790)
Depreciation written out to the Revaluation Reserve	£7,309	£2,076	£0	£0	£0	£0	£9,385
Depreciation written out to (Surplus)/Deficit on Provision of Services	£0	£539	£0	£0	£0	£0	£539
Impairments Recognised in the Revaluation Reserve	(£7,309)	£0	£0	£0	£0	£0	(£7,309)
Impairments Recognised in the (Surplus)/Deficit on the Provision of Services	(£5,209)	£0	£0	£0	£0	£0	(£5,209)
Depreciation Written out on Disposal	£45	£12	£8	£0	£0	£0	£65
Reclassifications & Asset Transfers	£0	£0	£0	£0	£0	£0	£0
Other Movements in Depreciation and Impairment	£26,631	£4	£0	£0	£0	£270	£26,905
Movement in Depreciation & Impairment	£13,979	(£1,546)	(£1,117)	£0	£0	£270	£11,586
Amount as at 31 March 2022	(£2,127)	(£18,736)	(£14,980)	(£2,146)	(£775)	£0	(£38,764)
Opening NBV	£273,067	£209,152	£6,239	£3,310	£19,179	£4,687	£515,634
Total Movement	£20,683	£4,655	£2,852	£1,067	£2,252	£4,197	£35,706
Closing NBV	£293,750	£213,807	£9,091	£4,377	£21,431	£8,884	£551,340

Infrastructure Assets

Movements on balances

In accordance with the temporary relief offered by the Update to the Code on Infrastructure Assets this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements.

The authority has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

Infrastructure Assets	2021/22 £000s	2022/23 £000s
Certified Valuation or Cost at 1 April	£39,351	£45,022
Additions in Year	£7,779	£10,823
Reclassifications & Asset Transfers	£0	£2,464
Depreciation charged in year	(£2,108)	(£2,649)
As at 31st March	£45,022	£55,660

As infrastructure assets are not being disclosed on the face of the Balance Sheet a reconciling note has been prepared:

PPE Assets	2021/22 £000s	2022/23 £000s
Infrastructure Assets	£45,022	£55,660
Other PPE Assets	£551,340	£598,297
Total PPE Assets	£596,362	£653,957

The authority has determined in accordance with Regulation [30M England] of the Local Authorities (Capital Finance and Accounting) (England/Wales) (Amendment) Regulations 2022 that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure is nil.

04. Pensions

Employees of Bury Council and Six Town Housing Limited are enrolled in the Greater Manchester Pension Fund (GMPF). Employees of Persona Care and Support Limited who retain protected employment rights prior to 1st October 2015 are also enrolled in the Greater Manchester Pension Fund.

Each entity accounts individually for its net defined benefit cost and the resultant asset or liability.

The single entity also participates in the Teachers' Pension Scheme and the NHS Pensions scheme, details of which are given in the single entity statements Note 37.

The following transactions have been made in the Group Comprehensive Income and Expenditure Statement and the Balances via the Movement in Reserves Statement during the year:

Comprehensive Income and Expenditure Statement	2021/22 £000s	2022/23 £000s
Cost of Services:		
Service Cost Comprising:		
Current Service Cost	£42,519	£40,182
Past Service Cost (including curtailments)	£882	£416
(Gain)/Loss from Settlements	£0	(£2,958)
Total Service Cost	£43,401	£37,640
Financing and Investment Income and Expenditure:		
Interest income on scheme assets	(£18,482)	(£27,421)
Interest cost on defined benefit obligation	£26,374	£33,883
Total Net Interest Expense	£7,892	£6,462
Total Post Employment Benefits Charged to the (Surplus)/Deficit on the Provision of Services	£51,293	£44,102
Other Post-Employment Benefits Charged to the Comprehensive Income and Expenditure Statement		
Remeasurements of the Net Defined Liability Comprising:		
Return on Plan Assets (excluding amounts included in net interest)	(£83,551)	£5,113
Actuarial Gains/(Losses) Arising from Changes in Demographic Assumptions	(£79,674)	(£59,347)
Actuarial Gains/(Losses) arising from changes in financial assumptions	(£19,786)	(£401,282)
Other Experience and Actuarial Adjustments	£1,600	£82,427
Total remeasurements recognised in other comprehensive income	(£181,411)	(£373,089)
Total Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	(£130,118)	(£328,987)
Movement in Reserves Statement:		
Reversal of Net Charges Made to the (Surplus)/Deficit on the Provision of Services for Post Employment Benefits in Accordance with the Code	(£51,293)	(£44,102)
Actual Amount Charged Against the General Fund Balance for Pensions in the Year:		
Employers' Contributions Payable to the Scheme & Benefits Paid	£19,490	£20,499

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amounts included in the Balance Sheet arising from the Groups obligation in respect of its defined benefit scheme is as follows:

Pensions Assets and Liabilities Recognised in the Balance Sheet	2021/22 £000s	2022/23 £000s
Fair Value of Plan Assets	£1,020,960	£997,889
Present Value of Funded Liabilities	(£1,226,694)	(£858,585)
Present Value of Unfunded Liabilities	(£26,969)	(£22,521)
Net Asset / (Liability) Arising From Defined Benefit Obligation	(£232,703)	£116,783

Reconciliation of the Movements in Fair Value of Scheme (Plan) Assets

Reconciliation of the Movement in Fair Value of Scheme (Plan) Assets	2021/22 £000s	2022/23 £000s
Opening Fair Value of Scheme Assets	£926,183	£1,020,960
Interest Income	£18,482	£27,421
Remeasurement Gain/(Loss):		
Return on Plan Assets Excluding Amounts Included in Net Interest Expense	£83,551	(£5,113)
Other Experience and Actuarial Adjustments	£0	(£36,913)
Contributions from The Employer into the Scheme	£17,077	£18,192
Contributions from Employees into the Scheme	£5,275	£5,755
Benefits Paid	(£29,608)	(£28,922)
Other: Settlements	£0	(£3,491)
Closing Fair Value of Scheme Assets	£1,020,960	£997,889

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)	2021/22 £000s	2022/23 £000s
Opening Balance at 1 April	(£1,308,495)	(£1,253,663)
Current Service Cost	(£42,519)	(£40,182)
Interest Cost	(£26,374)	(£33,883)
Contributions from Scheme Participants	(£5,275)	(£5,755)
Remeasurement (Gains)/Losses :		
Actuarial (Gains)/Losses Arising from Changes in Demographic Assumptions	£79,674	£59,347
Actuarial (Gains)/Losses Arising from Changes in Financial Assumptions	£19,786	£401,282
Other Experience and Actuarial Adjustments	(£1,600)	(£45,514)
Past Service Cost (including curtailments)	(£882)	(£416)
Liabilities Assumed on Entity Combinations	£0	£0
Benefits Paid	£32,021	£31,229
Liabilities Extinguished on Settlements	£0	£6,449
Opening Balance at 31 March	(£1,253,664)	(£881,106)

The characteristics of the GMPF are set out in the single entity statements Note 38.

For Six Town Housing and for Persona Care & Support, the main financial assumptions are:

Significant Assumptions	2021/22	2022/23
Rate of Inflation	3.15%	2.95%
Rate of Increase in Salaries	3.90%	3.75%
Rate of Increase in Pensions	3.15%	2.95%
Rate for Discounting Scheme Liabilities	2.75%	4.75%

The major categories of group company plan assets as a percentage of total plan assets is as follows:

Pension Scheme Assets	31 March 2022 %	31 March 2023 %
Equity	69%	70%
Bonds	13%	14%
Property	8%	8%
Cash	10%	8%
	100%	100%

05. Cash and Cash Equivalents

Cash and Cash Equivalents	2021/22 £000s	2022/23 £000s
Cash Held by the Group	£11,863	£11,059
School Bank Accounts	£1,178	(£372)
Bank Call Accounts	£38,062	£1,251
Bank Overdraft	(£4,526)	(£6,691)
Total	£46,577	£5,247

06. Subsidiary Income and Expenditure

The operating expenditure and income of:

- **Six Town Housing** has been included within "Housing Revenue Account".
- **Bury MBC Townside Fields Limited** has been included within "Income & Expenditure in Relation to Investment Properties and Changes in their Fair Value" of Financing and Investment Income and Expenditure.
- **Persona Care & Support Limited** has been included within "One Commissioning Organisation".

07. Joint Ventures Summarised Financial Information

2021/22		Joint Ventures: Profit/(Loss)	2022/23	
JV Total £000s	Bury Share £000s	Description	JV Total £000s	Bury Share £000s
£0		Turnover	£4,230	
£0		Cost of Sales	(£2,045)	
£0		Gross Profit/(Loss)	£2,185	
£0		Administration Expenses	(£516)	
£0		Operating Profit/(Loss)	£1,669	
£0		Interest Payable	(£869)	
£0	£0	Profit/(Loss) before Taxation	£800	£400
£0	£0	Taxation	£0	£0
£0	£0	Profit/(Loss) for the Year after Tax	£800	£400

2021/22		Joint Ventures: Balance Sheet	2022/23	
JV Total £000s	Bury Share £000s	Description	JV Total £000s	Bury Share £000s
£0		Fixed Assets	£20,013	
£0		Current Assets	£3,124	
£0		Creditors: Amounts Falling due Within One Year	(£1,873)	
£0		Creditors: Amounts Falling after More Than One Year	(£20,464)	
£0	£0	NET ASSETS	£800	£400
£0		Profit and Loss Account	(£800)	
£0	£0	TOTAL SHAREHOLDER FUNDS	(£800)	(£400)

Bury Bruntwood (Millgate) LLP Member Loans/Capital Summary	Bury £000s	Bruntwood £000s
Members Loans/Capital 50/50 Share	(£10,300)	(£10,300)
Members Loans/Capital Actual	(£20,350)	(£250)
Debtor/Creditor	£10,050	(£10,050)

The Prestwich Regeneration LLP Member Loans/Capital Summary	Bury £000s	MUSE £000s
Members Loans/Capital 50/50 Share	(£71)	(£71)
Members Loans/Capital Actual	£0	(£142)
Debtor/Creditor	(£71)	£71

Investments In Associates & Joint Ventures	Bury £000s
Bury Bruntwood (Millgate) LLP	£10,700
The Prestwich Regeneration LLP	£71
Balance	£10,771

08. Amount to be met from Government Grant and Local Taxes

This is the same amount as that disclosed in the Comprehensive Income and Expenditure Statement of Bury Council.

09. Goodwill

No goodwill arose in respect of any subsidiaries.

Glossary of Terms

Accounting Principles

Those principles, bases, conventions, rules and practices applied by an entity that specify how the effects of transactions and other events are to be reflected in its financial statements through:

- Recognising
- Selecting measurement bases for, and
- Presenting

Assets, liabilities, gains, losses and changes to reserves.

Accounting policies do not include estimation techniques. They define the process whereby transactions and other events are reflected in the financial statements.

Accruals Basis

The accruals principle is that income is recorded when it is earned rather than when it is received, and expenses are recorded when goods or services are received rather than when the payment is made.

Actuarial Gains and Losses

For a defined benefit pension scheme, the changes in actuarial deficits or surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or the actuarial assumptions have changed.

Agency Services

These are services that are performed by or for another Authority or public body, where the principal (the Authority responsible for the service) reimburses the agent (the Authority carrying out the work) for the costs of the work.

Amortisation

A charge to the comprehensive income and expenditure statement which spreads the cost of an intangible asset over a number of years in line with the Council's accounting policies.

Appointed Auditors

The appointment of External Auditors to Local Authorities is undertaken by the Public Sector Audit Appointments Limited (PSAA), an independent company limited by guarantee and incorporated by the Local Government Association in August 2014. Mazars LLP are the Council's appointed auditor.

Asset

Items that are of worth and are measurable in terms of value. Current assets may change in value on a day-to-day basis, but the Council is expected to yield the benefit within the one financial year (e.g. short term debtors). Non-current assets yield benefit to the Council for a period of more than one year (e.g. land).

Associated Companies

An associate is an entity over which the Council has significant influence.

Association of Greater Manchester Authorities (AGMA)

AGMA represents the ten local authorities in Greater Manchester and works in partnership with Central Government, regional bodies and other Greater Manchester public sector bodies.

Balances

The balances of the Council represent the accumulated surplus of income over expenditure on any of the Funds.

Better Care Fund (BCF)

The BCF was announced by Government in June 2013 spending round to ensure a transformation in health and social care.

Capital Adjustment Account

The capital adjustment account accumulates (on the debit side) the write-down of the historical cost of non-current assets as they are consumed by depreciation and impairments or written off on disposal. It accumulates (on the credit side) the resources that have been set aside to finance capital expenditure.

The same process applies to capital expenditure that is only capital by statutory definition (revenue expenditure funded by capital under statute). The balance on the account thus represents timing differences between the amount of the historical cost on non-current assets that have been consumed and the amount that have been financed in accordance with statutory requirements.

Capital Expenditure

This is expenditure on the acquisition of a non-current asset, or expenditure, which adds to, and not merely maintains, the value of an existing non-current asset.

Capital Financing Charges

This is the annual charge to the revenue account in respect of interest and principal repayments and payments of borrowed money, together with leasing rentals.

Capital Receipts

Income received from the sale of land or other capital assets, a proportion of which may be used to finance new capital expenditure, subject to the provisions contained within the Local Government Act 2003.

Carrying Amount

The Balance Sheet value recorded of either an asset or a liability.

Chartered Institute of Public Finance and Accountancy (CIPFA)

CIPFA is the leading professional accountancy body for public services.

Collection Fund

The Council as a billing authority has a statutory obligation to maintain a separate Collection Fund. This shows the transactions relating to the collection of Council Tax and Business Rates and its distribution to Local Government bodies.

Community Assets

These are non-current assets that the Council intends to hold in perpetuity which have no determinable finite useful life and, in addition, any have restriction on their disposal. Examples include parks and historical buildings not used for operational purposes.

Contingency

This is money set aside in the budget to meet the cost of unforeseen items of expenditure, or shortfalls in income, and to provide for inflation where this is not included in individual budgets.

Contingent Liabilities or Assets

These are amounts potentially due to or from individuals or organisations which may arise in the future but which at this time cannot be determined accurately, and for which provision has not been made in the Council's accounts.

Council Tax Requirement

This is the estimated revenue expenditure on General Fund services that will be financed from the Council Tax after deducting income from fees and charges, General Fund Balances, specific grants and any funding from reserves.

Creditors

Amounts owed by the Council for work done, goods received, or services rendered, for which payment has not been made at the date of the balance sheet.

Current Service Cost

Current service cost is the increase in the present value of a defined benefit pension scheme's liabilities expected to arise from employee service in the current period, i.e. the ultimate pension benefits 'earned' by employees in the current year's employment.

Current Value

The current value of an asset reflects the economic environment prevailing for the service or function the asset is supporting at the reporting date.

Curtailment

Curtailments will show the cost of the early payment of pension benefits if any employee has been made redundant in the previous financial year.

Debtors

These are sums of money due to the Council that have not been received at the date of the Balance Sheet.

Deferred Capital Receipts

These represent capital income still to be received after disposals have taken place and wholly consists of principal outstanding from the sale of council houses.

Defined Benefit Scheme

This is a pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules refine the benefits independently of the contribution payable and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

Defined Contribution Scheme

A Defined Contribution Scheme is a pension or other retirement benefit scheme into which an employer pays regular contributions as an amount or as a percentage of pay and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Depreciation

This is the measure of the wearing out, consumption, or other reduction in the useful economic life of property, plant and equipment assets.

Depreciated Replacement Cost (DRC)

A method of valuation that provides a proxy for the market value of specialist assets.

Derecognition

Financial assets and liabilities will need to be removed from the Balance Sheet once performance under the contract is complete or the contract is terminated.

Discounts

Discounts represent the outstanding discount received on the premature repayment of Public Works Loan Board loans. In line with the requirements of the Code, gains arising for the repurchase or early settlement of borrowing have been written back to revenue. However, where the repurchase or borrowing was coupled with a refinancing or restructuring of borrowing with substantially the same overall economic effect when viewed as a whole, gains have been recognised over the life of the replacement loan.

Earmarked Reserves

The Council holds a number of reserves earmarked to be used to meet specific, known or predicted future expenditure.

External Audit

The independent examination of the activities and accounts of Local Authorities to ensure the accounts have been prepared in accordance with legislative requirements and proper practices and to ensure the Council has made proper arrangements to secure value for money in its use of resources.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fees and Charges

Income arising from the provision of services e.g. the use of trade waste services.

Finance Lease

A finance lease is a lease that transfers substantially all of the risks and rewards of ownership of a non-current asset to the lessee.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term 'financial instrument' covers both financial assets and financial liabilities and includes both the most straightforward financial assets and liabilities such as trade receivables and trade payables and the most complex ones such as derivatives and embedded derivatives.

Financial Regulations

These are the written code of procedures approved by the Council, intended to provide a framework for proper financial management. Financial regulation usually set out rules on accounting, audit, administrative and budgeting procedures.

General Fund

This is the main revenue fund of the Council and includes the net cost of all services financed by local taxpayers and Government grants.

Greater Manchester Combined Authority (GMCA)

This organisation was created by the Local Government, Economic Development and Construction Act, the GMCA assumed its powers and duties on 1 April 2011. It took over the functions previously the responsibility of the Greater Manchester Integrated Transport Authority (GMITA), which it replaced. It also took over responsibility for transport planning, traffic control and wide loads, assumed responsibility for transportation resources allocated to the Greater Manchester region and regional economic development functions. From 1 April 2018 it took over responsibilities for activities previously undertaken by the Greater Manchester Waste Disposal Authority, the Greater Manchester Fire and Rescue Service and the Greater Manchester Police and Crime Commissioner.

Heritage Asset

A tangible asset with historical, artistic, scientific, technological, geophysical, or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

Housing Benefit

This is an allowance to persons receiving little or no income to meet, in whole or part their rent. Benefit is allowed or paid by Local Authorities but Central Government refunds part of the cost of the benefits and of the running costs of the services to Local Authorities. Benefits paid to the Council's own tenants are known as rent rebate and that paid to private tenants a rent allowance.

Impairment

A reduction in the value of assets below its value brought forward in the Balance Sheet, Examples of factors which may cause such a reduction in value include general price decreases, a significant decline in a non-current asset's market value and evidence of obsolescence or physical damage to the asset.

Infrastructure Assets

Non-current assets which general cannot be sold and from which benefit can be obtained only by continued use of the asset created. Examples of such assets are highways, footpaths, bridges and water and drainage facilities.

Intangible Assets

These are assets that do not have physical substance but are identifiable and controlled by the Council. Examples include software, licences and patents.

Interest cost (Pensions)

For a defined benefit scheme, the expected increase during the period on the present value of the scheme liabilities which arises from the passage of time.

International Financial Reporting Standard (IFRS)

Defined Accounting Standards that must be applied by all reporting entities to all financial statement in order to provide a true and fair view of the entity's financial position, and a standardised method of comparison with financial statements of the other entities.

Inventories

Amounts of unused or unconsumed stocks held in expectation of future use. Inventories are comprised of the following categories:

- Goods or other assets purchased for resale
- Consumable stores
- Raw materials and components
- Product and service in intermediate stages of completion
- Finished goods

Investment Properties

Property, which can be land or a building or part of a building or both, that is held solely to earn rentals or for capital appreciation or both, rather than for operational purposes.

Joint Venture

A joint venture is a joint arrangement whereby the parties who have joint control of the arrangement have rights to the net assets of the arrangement.

Leasing Costs

This is where a rental is paid for the use of an asset for a specified period of time. Two forms of lease exist; finance leases and operating leases.

Lender Option Borrower Option (LOBO)

A LOBO is a type of loan instrument. The borrower borrows a principal sum for the duration of the loan period (typically 20 to 50 years), initially at a fixed interest rate. Periodically (typically every six months to 3 years), the lender has the ability to alter the interest rate. Should the lender make this offer, the borrower then has the option to continue with the instrument at the new rate or alternatively to terminate the agreement and pay back the principal sum without penalty.

Liabilities

These are amounts due to individuals or organisations which will have to be paid at some time in the future. Current liabilities are usually payable within one year of the Balance Sheet date.

Loss Allowance

The allowance for expected credit losses on financial assets, such as debtors.

Materiality

Information is material if omitting it or misstating it could influence the decisions that users make on the basis of financial information about the Council.

Medium Term Financial Strategy (MTFS)

This is a financial planning document that sets out the future years' financial forecasts for the Council. It considers local and national policy influences and projects their impact on the general fund revenue budget, capital programme and HRA. In Bury it usually covers a five year timeframe.

Minimum Revenue Provision (MRP)

MRP is the minimum amount which must be charged to a Council's revenue account each year and set aside as provision for credit liabilities, as required by the Local Government and Housing Act 1989.

Department for Levelling Up, Housing and Communities (DLUHC)

DLUHC is a central government department with the overriding responsibility for determining the allocation of general resources to Local Councils.

National Non-Domestic Rates (NNDR) (also known as Business Rates)

This is the levy on business property, based on a national rate in the pound applied to the 'rateable value' of the property. The Government determines national rate poundage each year which is applicable to all Local Councils.

Net Book Value (NBV)

The amount at which non-current assets are included in the Balance Sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

Net Debt

Net debt is the council's borrowings less cash and liquid resources.

Outturn

Actual expenditure and income compared to the budget.

Pooled Aligned Budget

A pooled fund, arising from a Section 75 Agreement between Bury Council and Bury NHS CCG/NHS GM Bury Locality (from 1 July 2022), but the partners' respective financial contributions to such a fund are held in their own bank accounts.

Pooled Budget

A pooled fund, arising from a Section 75 Agreement between Bury council and Bury NHS CCG/NHS GM Bury Locality (from 1 July 2022), comprising financial contributions from both partners hosted by one of the partners in its bank account.

Pooled Fund

This can be either a Pooled Budget or a Pooled Aligned Budget.

Precept

The amount collected by the Council on behalf of other bodies. For 2022/23 the major precepts were payable in relation to the GM Mayor as Police and Crime Commissioner and the Mayoral General Precept (Including Fire Services).

Premiums

These are discounts that have arisen following the early redemption of long term debt, which are written down over the lifetime of replacement loans where applicable.

Prior Period Adjustments

These are material adjustments which are applicable to an earlier period arising from changes in accounting policies or for the correction of fundamental errors.

Provisions

Amounts set aside to meet liabilities or losses which it is anticipated will be incurred but where the amount and/or the timing of such costs are uncertain.

Public Works Loan Board (PWLb)

An arm of Central Government which is the major provider of loans to finance long term funding requirements for Local Councils.

Related Parties

Related parties are Central Government, other Local Authorities, precepting and levying bodies, subsidiary and associated companies, Elected Member, and all senior officers. For individuals identified as related parties, the following are also presumed to be related parties:

- Members of the close family, or the same household; and
- Partnerships, companies, trusts or other entities in which the individual, or member of their close family or the same household, has a controlling interest.

Remeasurement of the Net Defined Benefit Liability

Remeasurement of the Net Defined Liability (asset) companies:

- Actuarial gains and losses
- The return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and
- Any change in the net effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Reporting Standards

The Code of Practice prescribes the accounting treatment and disclosures for all normal transactions of a Local Authority. It is based on International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and International Financial Reporting Interpretations Committee (IFRIC) plus UK Generally Accepted Accounting Practice (GAAP) and Financial Reporting Standards (FRS).

Reserves

Amounts set aside to help manage future risks, to provide working balances or that are earmarked for specific future expenditure priorities.

Revaluation Reserve

The Reserve records the accumulated gains on the non-current assets held by the Council arising from increases in value as a result of inflation or other factors (to the extent that these gains have not been consumed by subsequent downward movements in value).

Revenue Contributions

The method of financing capital expenditure directly from revenue.

Revenue Expenditure Funded from Capital Under Statute (REFCUS)

Expenditure incurred during the year that may be capitalised under statutory provision but that does not result in the creation of a non-current asset that has been charged as expenditure to the Comprehensive Income and Expenditure Statement.

Section 75 Agreement

An agreement made between a Local Authority and NHS body under the powers of the National Health Service Act 2006 which facilitates the pooling of resources to improve the delivery of health and social care. Locally the agreement is between Bury Council and Bury NHS CCG.

Subsidiary

A subsidiary is an entity, including an unincorporated entity such as a partnership, which is controlled by the Council.

Treasury Management

This is the process by which the Council controls its cash flow and its borrowing and lending activities.

Treasury Management Strategy (TMS)

A strategy prepared with regard to legislative and CIPFA requirements setting out the framework for treasury management activity for the Council.

Trust Funds

These are funds administered by the council on behalf of charitable organisations and/or specific organisations.

Unsupported (Prudential) Borrowing

This is borrowing for which no financial support is provided by Central Government. The borrowing costs are to be met from current revenue budgets.