Slough Borough Council
Draft Statement of Accounts 2025/26

Image 1: Hershel Park, Slough

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Section A. Annual governance statement

This document will be separately published and incorporated in the final version of the financial statements when published.

Section B. Review and statutory certifications

Part.1 Chief Operating Officer's Narrative Report

1. Introduction

This Narrative Statement provides a clear and accessible overview of Slough Borough Council's financial performance and position for the year ended 31 March 2026. It is intended to help readers understand the Statement of Accounts by explaining the key factors affecting the Council's financial results, the wider context in which it operates, and the challenges, risks and opportunities facing the authority.

The Statement of Accounts has been prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom and presents a true and fair view of the Council's financial position.

2. About Slough

Slough is a vibrant, young, urban and highly diverse community. Residents benefit from unique economic opportunities linked to the M4 corridor, Heathrow and the Slough Trading Estate. The town has excellent transport links to London and the rest of the country. Slough's recent history has been shaped by patterns of migration from other parts of the UK and around the world. Although Slough sits on the edge of London, in a generally more affluent region, it faces a distinctive set of social and economic challenges. The key facts below are taken from Slough's insight report:

- Small in area but densely populated - the fifth most densely populated area outside of London;
- Population of approximately 167,000, growing faster than the national average;
- Young demographic profile, with an average age of 35 and around a quarter of residents under 16;
- Highly diverse community, with over two-fifths of residents born outside the UK;
- Economically productive, with among the highest output per worker in the UK;
- However, economic success is not evenly shared, with many residents not accessing higher-quality jobs; and
- Significant health inequalities, with earlier onset of serious health issues.

The Centre for Cities analysed the economic landscape of the UK's largest cities and towns. Its findings identified Slough as a real hotspot for its contribution to the UK economy with findings including:

- 1st for exporter productivity;
- 1st for Gross Value Added (GVA) per worker;
- 2nd highest business start-up rate;
- 2nd highest average weekly earnings;
- 3rd for private sector dominance in employment; and
- 10th fastest-growing town/city by population.

Slough Borough Council is a unitary authority responsible for delivering a broad range of statutory services, including social care, housing, education, environmental services and infrastructure, while providing strategic leadership for the borough. The Council operates under a leader and cabinet model, supported by scrutiny and audit functions that ensure transparency and accountability.

3. Financial context, recovery and improvement

Slough Borough Council continues to operate in a challenging financial and governance context. The Council remains subject to government intervention following the issuing of a Section 114 notice in July 2021 and the appointment of Best Value Commissioners in December 2021, with the intervention extended to November 2026. The intervention reflects the scale of the Council's historic financial, governance and operational challenges and the need to secure sustained compliance with the Best Value Duty.

The Council's financial position has required Exceptional Financial Support (EFS) from government through capitalisation directions since the Section 114 was issued. This support does not represent additional funding; instead, it allows certain revenue costs to be capitalised, creating a longer-term financing requirement that must be managed through borrowing, disposal receipts and future revenue budgets. Under the terms of this agreement, it is crucial that the Council continues to rationalise its asset base and generate disposal receipts to reduce the level of borrowing required under the EFS agreement.

The table below shows the agreed level of EFS up to the end of 2024/25 and the provisionally approved amount for 2025/26. The 2025/26 amount will not be formally approved until the Statement of Accounts has been audited. The draft 2025/26 accounts show that borrowing of £91.6m has been undertaken in line with the EFS agreement, after the use of available disposal receipts.

Financial Year	Exceptional Financial Support £m
2018/19	78.0
2019/20	47.5
2020/21	24.9
2021/22	60
2022/23	56.6
2023/24	46.3
2024/25	23.1
2025/26	15.7
Sub Total to 2025/26	**352.2**

Although progress has been made in strengthening the Council's financial planning and improvement arrangements, the financial context remains fragile. Continued delivery of savings, transformation, asset disposals, debt reduction and stronger corporate governance will be critical to reducing reliance on EFS and securing a sustainable financial position over the medium term.

Recovery and improvement

The Council refreshed its Improvement and Recovery Plan in May 2026 and is also embarking on a significant transformation programme. Progress against the Improvement and Recovery Plan is reported quarterly to Commissioners at the Best Value Board and biannually to Full Council. The plan is informed by the Council's assessment of progress and by feedback from Commissioners in their seventh letter, published in March 2026. In summary, the letter set out that:

- Progress has been made to develop a three-year balanced Medium Term Financial Strategy and a Transformation Plan. A new Corporate Leadership Team (CLT) and structure have been put in place to drive financial accountability. Closely monitored spending controls will be critical to the Council's financial recovery and to ending reliance on Exceptional Financial Support by 2028/29, with firm oversight of all key financial drivers.

- Corporate leadership and Cabinet need to be working more collegiately to provide effective leadership.
- The Council has not made sufficient progress on the main services that need improving in Children’s and in Housing.
- Further action is needed, beyond improvements to workforce plans and to communications and engagement to have the impact needed to achieve a high-performance culture.
- Service performance remains inconsistent, although a higher proportion of indicators (42% compared with 28%) are at or above target compared with this time last year.
- Inspections raise common issues that require improved corporate support to enable improvements to data integrity, strategic use of data and resident engagement.
- The full 2024 staff survey reports significant improvements in views of leadership compared with 2023 which have been sustained in the shorter 2025 “pulse” survey and in the 2026 survey. A workforce plan is also in place, with a full suite of management tools required to embed standards and expectations in teams including good appraisal completion rates.
- The Council has made progress in developing more open routes to communications and engagement including an e-newsletter and more consistent approaches to consultation and engagement. Resident surveys show improved satisfaction, value for money perceptions, and optimism about the town as regeneration plans take shape. This is starting from a very low base.
- Member development activity has been reviewed and re-established, with greater focus on governance, scrutiny and Best Value responsibilities. Work has begun to improve corporate forward planning with a longer time frame for executive decision making. Reviews of scrutiny and democratic services are underway to improve support to governance services to improve governance and decision making.
- The LGA have continued to support Cabinet Members and Committee Chairs through mentoring arrangements, leadership development for key cabinet members. Impact remains uneven, reports are published late, and leadership behaviours and governance maturity are not yet consistently embedded. There needs to be more focus on improving relationships and culture between members and officers with a view to ensuring greater trust, collaboration and clarity around roles, responsibilities and expected behaviours.

The Target Operating Model (TOM) sets a clear future direction for Slough as an “Enabling Council” — one that empowers residents, strengthens partnerships, simplifies access to services, and delivers high-quality, sustainable outcomes. Where possible, residents will be supported to live meaningful lives independently. As a result, the TOM places greater emphasis on prevention and early intervention, the Operating Model diagnostic identified the key shifts to transform the corporate and enabling support required to deliver sustainable change covering- strategic planning and governance, workplace culture, commissioning and procurement, data and digital and a streamlined corporate estate. Without these shifts, it will be difficult to sustain the changes needed to improve services and move to a transformed Council.

The priority focus for the next year is to improve these areas:

Priority	Required Position by end of 2026/27	How this supports the Enabling Council TOM
Medium-Term Financial Strategy & Financial Sustainability	• Balanced 2027/28 budget with reduced dependency on EFS • Refreshed MTFS • £40m savings in progress	Achieving financial sustainability to enable prevention, early intervention and better outcomes rather than crisis response.
Finance Improvement Programme	• Reserves strategy and resilience strengthened • Spending controls and budget accountability embedded • Procurement diagnostic and improvement underway • CIPFA FM Code embedded	Strengthened enabling finance function that supports services to make better decisions and deliver value.
Internal Audit	• Audit Plan delivered • Audit recommendations implemented promptly • Embedded counter-fraud culture with measurable impact • Reliable assurance environment	Effective governance and assurance that enables confidence, transparency and accountability.
Transformation Programme	• Strategic Delivery Partner mobilised • Portfolio Office an PMO in place • Design Authority embedded • CLT accountability for delivery clear • Transformation milestones on track	Delivering a sustained shift to an Enabling Council through redesigned services, prevention, and simpler resident journeys.
Corporate Leadership	• Stable and coherent CLT • Consistent behaviours embedded • Culture Framework adopted High-quality performance management Staff survey results acted on	A confident, enabling leadership culture that empowers staff and partners to deliver better outcomes for residents.
Governance & Member / Officer Relations	• Unified Cabinet with Best Value focus • Improved Cabinet–CLT relationships • Stronger scrutiny • Fully staffed Democratic Services • Improved Member–Officer culture	Constructive political–officer relationships that support shared ownership of outcomes and resident trust.
Service Improvement	• CLT and Cabinet ownership • Consistent service improvement plans Shared improvement framework across	Shifting from fragmented, reactive improvement to consistent, outcome-focused service design.
Corporate Strategy	• Corporate Plan, MTFS, service plans and objectives fully aligned • Data strategy delivered • Cocreated long-term vision for Slough • Consistent, inclusive resident engagement • Strategic Communications Plan	A Council that focuses on outcomes, value and prevention, shaped with residents and partners.

4. Corporate priorities and performance

Our strategic priorities

The statistics in section 2 highlight Slough's performance and potential as a borough, as well as its challenges, particularly poor healthy life expectancy compared with neighbouring areas and one of the youngest populations in the country. The Council's purpose, as defined in the Corporate Plan 2023–2027, is to close the healthy life expectancy gap by focusing on children. To deliver this, the Council is focusing on three key strategic priorities:

1. A borough for children and young people to thrive.
2. A town where residents can live healthier, safer and more independent lives.
3. A cleaner, healthier and more prosperous Slough.

Our Corporate Plan sets out the vision for the Council and what we hope to deliver for the borough by 2027, focusing on these three strategic priority areas. The Corporate Plan also identifies the ways of working that need to be embedded for the plan to be effective:

- Resident Focused
- Providing Financial Stability
- Enabling Residents and Communities
- Strengthening Partnerships
- Building Trust

Progress has been made in implementing transformation programmes and improving financial controls; however, significant challenges remain, particularly in high-demand service areas.

Performance

Performance reports are produced quarterly for Cabinet and set out progress against the Council's Corporate Plan. The 2024/25 Q4 Corporate Performance Report was considered by Cabinet in July 2025, and during 2025/26 the Council has reported through a refreshed corporate performance framework aligned to the Corporate Plan 2023–2027.

The refreshed framework forms part of the Council's performance management and assurance arrangements. It supports clearer oversight of key indicators, strengthens accountability for delivery, and enables performance information to be considered alongside risk, finance, audit and feedback from residents, members, tenants and staff.

Overall, the published performance material indicates a mixed but improving picture. The Council has strengthened regular reporting and has developed a clearer set of strategic indicators, but performance remains variable across services and continued improvement is required to secure consistently better outcomes for residents.

The quarterly reports highlight areas of progress and provide a stronger basis for identifying underperformance and agreeing mitigating action. The refreshed scorecard is intended to support service improvement and recovery by focusing attention on the outcomes that matter most to residents, using benchmarking and trend information where available to inform decision-making.

At the same time, the Council continues to face areas of performance challenge, including in services subject to external scrutiny and in areas affected by demand, capacity and system pressures. Published reporting during 2025/26 emphasises the need for sustained improvement, transparency and robust performance accountability, particularly where performance is below target or below relevant benchmarks.

Commissioner commentary has also recognised progress in areas such as leadership, governance and partnership working, while making clear that further pace and consistency are needed to embed improvement across the authority. This reinforces the importance of using performance information to support early intervention, stronger accountability and more consistent delivery.

Looking ahead, the Council enters 2026/27 with stronger performance foundations, a refreshed corporate scorecard and clearer links between performance, risk, finance and improvement activity. The focus will be on improving consistency across services, closing gaps with relevant benchmarks, strengthening trend analysis and maintaining a clear focus on improved outcomes for residents.

5. Financial performance 2025/26

The Council has a variety of different funds which incur expenditure and/or generate income.

General Fund (GF) expenditure relates to the services provided through council tax and business rates, supported by government grants and other fees and charges.

The Housing Revenue Account (HRA) relates to our landlord services for council housing and is funded primarily through rents and service charges.

Dedicated Schools Grant (DSG) expenditure is primarily grant funded and supports schools, early years and young people with special educational needs and disabilities. It does not include the cost of social care services provided by Slough Children First, which are paid for through the General Fund. The Council has been participating in the Departments of Education's Safety Valve programme, to reduce historic DSG deficits. The Safety Valve programme came to an end at the end of 2025/26, replaced by a DSG High Needs Stability Grant. The latter grant is dependent on the DfE approving a Local SEND Reform Plan. The Council is working with DfE to progress the plan through the relevant approval stages. There is uncertainty over how the DfE will treat deficits in financial years from 2026/27 onwards, which will be subject to scenario planning in the Council's MTFS.

The 2025/26 budget was approved by Council on the 6th March 2025.

General fund revenue outturn

The 2025/26 draft outturn report was presented to Cabinet in June 2026. It set out a draft General Fund outturn of £188.7m, an indicative overspend of £13.2m against the final budget of £175.5m. This was largely driven by overspends in adult social care and the provision of temporary accommodation to mitigate homelessness. These figures remain draft until the Statement of Accounts for 2025/26 is finalised.

Although anticipated financial pressures were reflected in the approved budget, rising demand contributed to significant overspends. The outturn report included a budgeted provisional capitalisation direction of £15.7m; the service overspends of £13.2m were in addition to the planned capitalisation direction.

This means that, subject to the availability of disposal receipts, up to an additional £15.7m deficit in the revenue budget is expected to be capitalised over a 20-year period, as directed by central government.

Housing revenue account outturn

The provisional HRA outturn showed an in-year surplus of £2.2m, which was £0.3m lower than the budgeted surplus. The difference was mainly due to additional contributions for pension costs and depreciation charges, partially offset by underspends across services.

Dedicated schools grant outturn

The provisional outturn report indicated that the DSG overspent by £9.8m for 2025/26, before taking account of the £3.2m Safety Valve support, resulting in a net overspend of £6.6m for the year. The DSG deficit at the end of 2025/26 was £17.01m.

Collection fund

The collection fund shows the transactions of the Council in its capacity as the billing authority for council tax and business rates within Slough. The account closed with a total surplus of £6.0m (£0.7m deficit in 2024/25), comprising of a £10.9m surplus on business rates (£2.3m in 2024/25), and a deficit of £4.9m on council tax (£2.9m in 2024/25). The balances are shared between Slough, central government, Berkshire Fire Authority and Thames Valley Police, as shown in note 3 to the collection fund. Slough's share of the business rates surplus was £5.3m (£1.1m in 2024/25), with a £4.0m share of the council tax deficit (£2.5m in 2024/25), leading to Slough's overall share being a net surplus of £1.2m (£1.4m deficit in 2024/25).

Pension liability

The pension liability reflects the underlying long-term commitment that the Council has to pay for the retirement benefits owed to its pension fund members. The net pension liability increased from £46.5m at 31 March 2025 to £49.1m as at 31 March 2026. The scheme assets increased from £362.7m to £373.9m. The assumptions on pension obligations have increased, with scheme liabilities increasing from £409.2m to £422.9m. The largest change in asset allocation relates to the holding on credit assets which has increased. An increase in life expectancies, together with an increased discount rate, and a slight reduction in RPI together with other assumptions have combined to increase the forecast liability. Overall, the increase in asset values has lagged behind the increase in the liabilities, leading to a slight increase in the net liability.

6. Reserves and financial resilience

The Council maintains a range of reserves to support financial stability, including:

- General Fund balance
- Earmarked reserves for specific risks and commitments

The 2025/26 General Fund overspend detailed in Section 5 will be covered by a £13.2m drawdown from the General Fund Reserve, leaving £11.3m in the reserve at year end. In line with the approved 2026/27 Budget, the General Fund will be replenished using agreed EFS for 2026/27.

The Council's earmarked reserves at the end of 2025/26 total £16.1m, a reduction of £3.8m on the amount held at the end of 2024/25, largely due to planned use of the budget smoothing reserve.

The Council's reserves position continues to reflect the significant financial challenges faced in recent years and the ongoing requirement to support service delivery during a period of recovery. While the use of reserves has been necessary to maintain financial stability, it is not sustainable in the medium term. The Council continues to place a strong emphasis on rebuilding reserves and strengthening financial resilience through improved budget management, delivery of savings and transformation programmes, and enhanced financial governance.

The adequacy of reserves is kept under regular review by the Section 151 Officer, with recognition that restoring and maintaining a robust level of general balances remains critical to supporting the Council's financial sustainability and its ability to respond to future risks and uncertainties.

7. Capital investment and treasury management

Capital programme

The 2025/26 capital outturn reflects continued delivery of priority investment in housing, regeneration, and core infrastructure, aligned to the Council's recovery objectives. Overall expenditure remained below the approved programme, primarily due to rephasing of schemes, affordability constraints, and capacity limitations. The Council has continued to strengthen capital governance and prioritisation to ensure that future investment is focused on essential projects, is deliverable within available resources, and supports long-term financial sustainability.

The General Fund capital programme spent £33.4m, compared with the approved budget of £43.1m.

Treasury Management

The Council manages its cash flows, borrowing, and investments in accordance with the CIPFA Code of Practice on Treasury Management in the Public Services and the Prudential Code for Capital Finance in Local Authorities.

Within this framework, the Council is required to operate a balanced budget, ensuring that annual cash inflows are sufficient to meet expenditure and that adequate liquidity is maintained to meet obligations as they fall due. Surplus cash is managed in line with the Council's risk appetite, with priority given to security and liquidity over investment returns.

Asset disposals are a key part of the Council's plan to reduce outstanding debt and minimise further borrowing under the EFS agreement. At the end of 2025/26, £8.7m of General Fund disposal receipts were applied against the capitalisation direction. This figure is in line with the assumed level of receipts set out in the Treasury Management Strategy published in February 2026.

As at 31 March 2026, the Council's total external borrowing (excluding interest) was £469.8m, compared to £458.5m in the previous year, representing an increase of £11.3m. This movement reflects the repayment of £98.7m of Public Works Loan Board (PWLB) loans as they matured during the year, alongside the raising of £110.0m in new PWLB loans.

Cash investments increased from £13.6m to £19.3m over the same period. Consequently, the net borrowing position rose from £444.9m to £450.5m, an overall increase of £5.6m, driven by the General Fund overspend reported above.

8. Balance sheet position

The balance sheet reflects the Council's overall financial standing at 31 March 2026.

As at 31 March 2026, the Council held long-term assets of £1,132.7m (2024/25: £1,156.3m), a reduction of £23.6m from the previous year. This was primarily due to a combination of asset disposals and depreciation. Current assets, including cash and short-term investments, were £85.0m (2024/25: £83.0m), current liabilities were £140.0m (2024/25: £203.5m), and long-term liabilities were £544.9m (2024/25: £474.6m), including the net pension liability of £49.1m (2024/25: £46.5m). The Council's net assets decreased from £561.1m at 31 March 2025 to £532.7m at 31 March 2026, due primarily to the reduction in the value of long-term assets.

The Council had total reserves of £532.7m as at 31 March 2026 (2024/25: £561.1m), made up of usable reserves of £153.6m (2024/25: £154.6m) and unusable reserves of £379.1m (2024/25: £406.6m). The distinction is important, as the level of usable reserves is an indicator of the medium-term financial resilience of the Council, although some of these reserves can only be used for specific purposes. General Fund reserves (excluding schools) reduced from £43.4m to £27.5m during the year

(2024/25: £56.8m down to £43.4m), reflecting the ongoing pressures on the General Fund. The Council approved a reserves strategy as part of the medium-term financial planning approved by Council in March 2026.

9. Companies

Slough Children First

The Council delivers children's services through its wholly owned subsidiary, Slough Children First Ltd (SCF). SCF is constituted as a company limited by guarantee. The statutory accounts for 2025/26 are scheduled to be filed by 31 December 2026. The draft accounts for 2025/26 show a net loss of £1.2m. (2024/25 surplus of £0.2m) and total comprehensive loss for the year of £2.1m including actuarial (loss)/gains on pensions, (2024/25 comprehensive income of £5.9m). The draft balance sheet currently shows a net asset position of £1.7m (2024/25: £3.8m net assets).

James Elliman Homes Limited

James Elliman Homes Limited (JEH) was incorporated in 2017 with the primary objective of supporting the Council to improve affordable housing supply and good-quality accommodation for key workers. The Council's Cabinet approved the 2025/26 business plan for JEH in March 2025.

The statutory accounts for 2025/26 are due to be filed with Companies House by 31 December 2026. The draft accounts for 2025/26 show a net loss of £2.077m (2024/25: £1.995m), accumulated retained losses of £14.129m (2024/25: £12.052m) and net liabilities of £4.341m (2024/25: net liabilities of £1.604m). This was primarily due to the reduced value of property assets held by the company. The Council confirmed its intention to continue supporting the company through the 2026/27 business plan and future strategy considered by Cabinet in June 2026.

The Council's key risk for JEH remains the failure of the company, which is included on the Council's corporate risk register. There also remains one outstanding statutory recommendation and one key external audit recommendation regarding the governance and financial oversight of the company and other wholly owned Council-owned companies. The Council is delivering a project to improve corporate oversight and established a Shareholder Panel during 2025/26.

Ground Rent Estate 5 Limited

Ground Rent Estates 5 Limited (GRE5) is a wholly owned company established to manage the building and oversee ground rents at a single residential asset, Nova House.

GRE5 is required to file statutory audited accounts for 2025/26 with Companies House by 31 December 2026. Draft accounts have been used to support the preparation of the Group Accounts, which reflect a £4.472m profit for the year (2024/25: £0.040m profit). The primary improvement is outlined in the report to Cabinet in March 2026, which approved the 2026/27 business plan, the exit strategy and the deed of release for the partial write-off of the loan. This supports the company in achieving a solvent wind-up once Nova House, the only asset in the company, has been disposed of. The company's only turnover is ground rent associated with Nova House. Net assets for the company are £1.423m (2024/25: £3.049m net liabilities).

The Council's primary risk associated with GRE5 is ensuring that the exit strategy is fully and compliantly executed, leading to a solvent and successful wind-down of the company.

Other companies

Slough Urban Renewal (SUR) is a joint venture with Muse Developments, formed in 2013 to support regeneration and development across the borough. The joint venture has been disposing of its land interests, with net profits distributed following each site disposal. This follows a review of SUR LLP, in which the Council concluded that a site disposals strategy was the most effective way to deliver financial and strategic objectives while minimising risk.

Published accounts for the year ended 31 December 2025 showed a loss of £0.4m (2024: profit of £4.0m). Statutory Accounts for the year ended 31 December 2025 are scheduled to be published by 30 September 2026.

The Council also holds the sole interest in Development Initiative for Slough Housing (DISH), which was incorporated in 1988 as a not-for-profit company limited by guarantee. It developed and manages several properties on a former school site leased to it by SBC. The company's net assets and reserves, as reported in the published accounts for the year ended 31 March 2025, are nil. Unless the Council determines to extend the lease, it will expire in 2027 and the properties will revert to the Council's ownership, facilitating the winding up of DISH.

10. Medium term financial outlook 2026/27 to 2028/29

The Council set a balanced budget for the three years of the MTFS, from 2026/27 to 2028/29, in February 2026. This showed a pathway for Slough to set a budget without the requirement for EFS support in 2028/29. The table below shows the requested amounts of EFS for 2026/27 and 2027/28. The MTFS relies on a significant savings and transformation programme, including around £40m savings over three years, with transformation central to financial recovery.

Financial Year	Exceptional Financial Support £m
Sub Total to 2025/26	352.2
2026/27	42.9
2027/28	22.4
2028/29	0
Total	**417.5**

To deliver this, the Council is focused on restoring financial sustainability, strengthening financial management and improving governance. This includes delivery of the Finance Improvement Programme, tighter spending controls, more robust budget monitoring, active reserves management, a debt repayment strategy and clearer accountability through the Corporate Leadership Team and Member governance arrangements.

11. Principal risks and uncertainties

The preparation of Slough Borough Council's Statement of Accounts requires judgements, estimates and assumptions that are subject to risk and uncertainty. The Council's financial position and future sustainability are affected by a range of corporate risks, including demand pressures, delivery capacity, governance, financial resilience and exposure from wholly owned companies. These risks are actively monitored through the Council's corporate risk management arrangements and are reflected in financial planning, governance and assurance processes.

The Council's principal corporate risks and key mitigations are summarised below:

Principal risk	Key mitigations
Safeguarding children and young people within available resources	The Council uses robust caseload management, early intervention services and regular budget monitoring to help manage safeguarding demand and financial pressures.
Meeting demand for adult social care	Provider market engagement, care package efficiency reviews and reserves management help the Council manage adult social care demand within available resources.
Failure to deliver effective Special Educational Needs and Disability (SEND) services	The Council is delivering a SEND improvement plan with enhanced governance, investment in early help and alternative provision, and regular audit activity.
Providing safe temporary accommodation within budget	Regular compliance inspections, development of longer-term housing solutions and better use of vacant Council properties help manage temporary accommodation pressures and safety requirements.
Attracting, retaining and engaging the workforce	Recruitment activity, retention initiatives, employee engagement surveys and succession planning for key roles support workforce stability and organisational capability.
Meeting statutory health and safety obligations	A comprehensive health and safety policy framework, mandatory training, routine inspections and audits, and designated Health and Safety officers help the Council meet statutory obligations.
Maintaining operational resilience and crisis management capability	Business continuity plans, a crisis management framework, scenario planning, centralised incident management protocols and partnership working with local emergency partners support operational resilience.
Managing significant ICT, cyber and data incidents	Multi-layered cyber security controls, regular vulnerability scanning and penetration testing, offline and offsite data backups, and an ICT incident response plan help protect systems, data and service continuity.
Failure to achieve financial sustainability and a balanced MTFS	Delivery of the Financial Improvement Programme, medium-term financial planning, a debt repayment strategy, active reserves and contingency management, and regular Cabinet and Audit Committee reporting support financial sustainability.
Delivering the General Fund asset disposal programme	An asset management plan with clear milestones, early engagement with legal and valuation teams, regular progress reviews, contingency planning and pipeline transparency support delivery of the asset disposal programme.
Failure to deliver the Transformation Portfolio	The Council's Transformation Programme is moving from strategy and governance establishment into active delivery of the 2026/27 transformation portfolio, supporting the Medium-Term Financial Strategy and Target Operating Model.
Delivering adult social care market sustainability	Provider forums, transparent pricing models, contingency arrangements for provider failure and collaboration with health and local partners support market sustainability.
Complying with GDPR and data protection obligations	A GDPR-aligned data protection policy framework, regular data audits and retention schedules, mandatory staff training, and breach reporting procedures with timely escalation support compliance.
Managing risk in Council subsidiary companies	Governance oversight, clear strategic objectives, independent audit activity and risk reviews support stronger control over subsidiary company performance and exposure.

Principal risk	Key mitigations
Maintaining effective governance, controls and assurance	Corporate governance arrangements, internal audit, control self-assessments, clear delegation limits, whistleblowing procedures and specific controls over fraud and procurement help maintain effective governance and assurance.

12. Governance and assurance

The Council is committed to maintaining strong governance and internal control arrangements. Key elements include:

- An established governance framework;
- Internal audit and risk management functions; and
- Oversight by the Audit and Corporate Governance Committee.

Further information on governance can be found in the Council's Annual Governance Statement, which will be considered by the Audit and Corporate Governance Committee in July 2026. The approved Annual Governance Statement will be published alongside the Council's final Statement of Accounts once the audit has been completed. This has been an area of focus for improvement for the Council in recent years, linked to the recovery and improvement work referenced above.

13. Understanding the financial statements

The Statement of Accounts includes the following core statements:

- Comprehensive Income and Expenditure Statement (CIES): Shows the accounting cost of providing services;
- Movement in Reserves Statement (MIRS): Explains movements in usable and unusable reserves;
- Balance Sheet: Sets out assets, liabilities, and reserves at year end; and
- Cash Flow Statement: Summarises cash movements during the year.

These statements are prepared in accordance with proper accounting practices and may include technical adjustments that differ from the Council's budgetary position.

14. Significant events

The Council has continued to operate under a programme of financial recovery and improvement. Key developments during the year include:

- Continued implementation of strengthened financial controls;
- Ongoing engagement with government and external assurance bodies; and
- Progress against recovery and improvement plans.

Any material post-balance sheet events have been considered within the accounts where appropriate.

15. Conclusion

Slough Borough Council continues to face significant financial and operational challenges. While progress has been made in strengthening governance and financial management, the scale of the financial pressures remains considerable.

The Council remains committed to delivering sustainable services, improving financial resilience, and ensuring value for money for residents.

Corporate risks and opportunities will continue to be reviewed and monitored by the Corporate Risk Management Board, with at least quarterly risk update reports provided to CLT and the Audit and Corporate Governance Committee. These arrangements support early identification of emerging issues and help ensure that governance, financial management and assurance responses remain timely, proportionate and balanced.

Part.2 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 (the Council's Chief Operating Officer and Section 151 officer) has the responsibility for the administration of those affairs;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- approve the statement of accounts.

The Section 151 Officer's Responsibilities

As Section 151 Officer, the Chief Operating Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing the 2025/26 statement of accounts, the Chief Operating Officer has:

- selected and consistently applied suitable accounting policies;
- made reasonable and prudent judgements and estimates; and
- complied with the local authority Code.

The Chief Operating Officer has also:

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

Certification by the Section 151 Officer

I certify that this statement of accounts gives a true and fair view of the financial position of the authority at the reporting date and of its income and expenditure for the year ended 31 March 2026.

Ian O'Donnell

Ian O'Donnell
Interim Chief Operating Officer (Section 151 Officer)
Date: 30 June 2026

Section C. Core financial statements

Part.1 Comprehensive income and expenditure statement

The Comprehensive Income and Expenditure Statement (CIES) records all of the Council's revenue income and expenditure for the year. Expenditure represents a combination of statutory duties and discretionary spend focused on local priorities and needs.

Gross expenditure 2024/25 £'000	Gross income 2024/25 £'000	Net expenditure 2024/25 £'000	Comprehensive income and expenditure statement	Gross expenditure 2025/26 £'000	Gross income 2025/26 £'000	Net expenditure 2025/26 £'000
3,182	(1,101)	2,081	Monitoring Officer	2,794	(585)	2,209
6,066	(1,081)	4,984	Chief Execs Office	7,492	(236)	7,256
89,439	(59,636)	29,803	Corporate Resources	90,940	(61,963)	28,976
82,186	(54,083)	28,103	Regeneration, Housing & Environment	91,012	(63,180)	27,832
69,750	(22,756)	46,993	Adults' services	76,177	(24,940)	51,237
169,522	(115,397)	54,126	Children's services	190,207	(124,793)	65,414
14,724	(13,102)	1,622	Public Health and Protection	16,169	(14,080)	2,089
37,119	(44,957)	(7,838)	Housing Revenue Account	47,281	(45,074)	2,207
471,989	**(312,113)**	**159,876**	**Cost of services**	**522,076**	**(334,856)**	**187,221**
2,967	(7,187)	(4,220)	Other operating expenditure (note 6)	(9,907)	-	(9,907)
18,907	(7,889)	11,017	Financing and investment income and expenditure (note 7)	20,313	(8,387)	11,925
-	(140,020)	(140,020)	Taxation and non-specific grant income and expenditure (note 8)	-	(166,003)	(166,003)
493,863	**(467,210)**	**26,653**	**(Surplus)/deficit on provision of services**	**532,483**	**(509,246)**	**23,236**
		6,220	(Surplus) or deficit on revaluation of property, plant and equipment assets (see note 18)			(3,884)
		(58,666)	Remeasurement of the net defined benefit liability (see note 23)			9,116
		(52,446)	**Other comprehensive income and expenditure**			**5,231**
		(25,793)	**Total comprehensive income and expenditure**			**28,468**

Part.2 Movement in reserves statement

The Movement in Reserves Statement shows the movement in year on reserve balances held by the Council.

2025/26 Movement in reserves statement	General Fund Balance £'000	Earmarked Reserves £'000	Schools Reserves £'000	General Fund Reserves Total £'000	Housing Revenue Account £'000	Capital Receipts Reserve £'000	Major Repairs Reserve £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Council Reserves £'000
Balance at 1 Apr 2025	**(23,465)**	**(19,920)**	**(24,854)**	**(68,239)**	**(18,596)**	**(36,769)**	**(11,302)**	**(19,682)**	**(154,588)**	**(406,554)**	**(561,142)**
(Surplus)/deficit on provision of services	43,711	-	-	**43,711**	(20,474)	-	-	-	**23,236**	-	**23,236**
Other Comprehensive income and expenditure	-	-	-	**-**	-	-	-	-	**-**	5,231	**5,231**
Total Comprehensive Income and Expenditure	**43,711**	**-**	**-**	**43,711**	**(20,474)**	**-**	**-**	**-**	**23,236**	**5,231**	**28,468**
Adjustments between accounting basis and funding basis	(8,314)	-	-	**(8,314)**	17,543	(19,975)	3,602	600	**(6,544)**	6,544	**-**
Adjustment: Capitalisation Direction	(15,709)	-	-	**(15,709)**	-	-	-	-	**(15,709)**	15,709	**-**
Increase or (decrease) before transfers to earmarked reserves	**19,688**	**-**	**-**	**19,688**	**(2,931)**	**(19,975)**	**3,602**	**600**	**983**	**27,484**	**28,468**
Transfer to/(from) reserves	(7,536)	3,785	3,751	**-**	-	-	-	-	**-**	-	**-**
Balance at 31 Mar 2026	**(11,313)**	**(16,135)**	**(21,103)**	**(48,551)**	**(21,527)**	**(56,745)**	**(7,699)**	**(19,082)**	**(153,604)**	**(379,070)**	**(532,675)**

2024/25 Movement in reserves statement	General Fund Balance £'000	Earmarked Reserves £'000	Schools Reserves £'000	General Fund Reserves Total £'000	Housing Revenue Account £'000	Capital Receipts Reserve £'000	Major Repairs Reserve £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Council Reserves £'000
Balance at 1 Apr 2024	**(22,465)**	**(28,452)**	**(25,308)**	**(76,225)**	**(22,667)**	**(94,528)**	**(15,398)**	**(33,744)**	**(242,562)**	**(292,791)**	**(535,353)**
Restatement of opening balances	-	(5,873)	-	**(5,873)**	5,873	-	-	-	**-**	-	**-**
Balance at 1 Apr 2024	**(22,465)**	**(34,325)**	**(25,308)**	**(82,097)**	**(16,794)**	**(94,528)**	**(15,398)**	**(33,744)**	**(242,562)**	**(292,791)**	**(535,353)**
(Surplus)/deficit on provision of services	35,598	-	-	**35,598**	(8,945)	-	-	-	**26,653**	-	**26,653**
Other Comprehensive income and expenditure	-	-	-	**-**	-	-	-	-	**-**	(52,446)	**(52,446)**
Total Comprehensive Income and Expenditure	**35,598**	**-**	**-**	**35,598**	**(8,945)**	**-**	**-**	**-**	**-**	**(52,446)**	**(25,792)**
Adjustments between accounting basis and funding basis	1,338	-	-	**1,338**	7,143	57,759	4,096	14,063	**84,399**	(84,396)	**-**
Capitalisation Direction	(23,078)	-	-	**(23,078)**	-	-	-	-	**(23,078)**	23,078	**-**
Increase or (decrease) before transfers to earmarked reserves	**13,858**	**-**	**-**	**13,858**	**(1,802)**	**57,759**	**4,096**	**14,063**	**87,971**	**(113,764)**	**(25,792)**
Transfer to/(from) reserves	(14,856)	14,405	454	**-**	-	-	-	-	**-**	-	**-**
Balance at 31 Mar 2025	**(23,465)**	**(19,920)**	**(24,854)**	**(68,239)**	**(18,596)**	**(36,769)**	**(11,302)**	**(19,682)**	**(154,588)**	**(406,555)**	**(561,142)**

Part.3 Balance sheet

The Balance Sheet is fundamental to the understanding of the Council's financial position at the year end. It shows the value as at the Balance Sheet date of assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by reserves held by the Council.

31st March 2025 Restated £'000	Balance sheet	Note	31st March 2026 £'000
1,050,154	Property, plant and equipment	18	1,031,307
48,247	Investment properties	20	48,016
254	Intangible assets	18d	64
4,392	Long term investments	24	3,247
53,266	Long term debtors	28	49,986
1,156,314	**Total long-term assets**		**1,132,619**
32	Short-term investments	24	32
6,999	Assets held for sale	18c	-
58,620	Short term debtors	28	57,924
17,318	Cash and cash equivalents	27	27,019
82,969	**Total current assets**		**84,975**
(99,863)	Short-term borrowing	24	(44,491)
(71,779)	Short-term creditors	29	(76,877)
(21,505)	Short-term provisions	30	(17,527)
(10,342)	Grants received in Advance - revenue		(1,129)
(203,488)	**Total current liabilities**		**(140,024)**
(79)	Long-term creditors		(502)
(170)	Long-term provisions	30	(59)
(362,070)	Long-term borrowing	24	(425,338)
(78,051)	Other long-term Liabilities	31	(84,651)
(34,284)	Grants received in advance - capital	14	(34,345)
(474,653)	**Total long-term liabilities**		**(544,896)**
561,142	**Net assets**		**532,675**
(154,588)	Usable reserves		(153,604)
(406,554)	Unusable reserves	16	(379,070)
(561,142)	**Total reserves**		**(532,675)**

Note: A 2024/25 balance of £2.7m for leases has been reclassified from long-term creditors to other long-term liabilities.

Certification by the Chief Financial Officer

I certify that the statement of accounts gives a true and fair view of the financial position of the authority as at 31 March 2026 and its income and expenditure for the year ended 31 March 2026.

Ian O'Donnell

Ian O'Donnell
Interim Chief Operating Officer (Section 151 Officer)
Date: 30 June 2026

Part.4 Cash flow statement

The cash flow statement shows the changes in cash and cash equivalents of the Council during the reporting period.

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

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

2024/25 Restated £'000	Cash flow statement	2025/26 £'000
26,653	Net (surplus) or deficit on the provision of services	23,236
(38,342)	Adjustments to net (surplus) or deficit on the provision of services for non-cash movements	(53,054)
32,948	Adjustments for items included in the net (surplus) or deficit on the provision of services that are investing and financing activities	50,155
21,259	**Net cash flows from operating activities**	**20,337**
(10,362)	Investing Activities	(21,599)
356	Financing Activities	(8,438)
11,253	**Net (increase) or decrease in cash and cash equivalents**	**(9,701)**
28,571	Cash and cash equivalents at the beginning of the reporting period	17,318
17,318	**Cash and cash equivalents at the end of the reporting period**	**27,019**

Section D. Notes to the core financial statements

Note 1: Accounting policies

1.1 General principles

The Statement of Accounts summarise the Authority's transactions for the 2025/26 financial year and its position at the year-end 31 March 2026.

The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 which requires accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, 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.

1.2 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.

- The Authority adopted IFRS15 Revenue Recognition from Contracts with Customers from 1 April 2018, such that 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. Revenue recognition is now based on the transfer of control over goods and services to a customer rather than the risks and rewards, which may result in changes to the pattern of revenue recognition. In local government the generation of revenues from charges to service recipients is only a minor funding stream and contracts with customers tend to be accounted for and delivered within the year.
- 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.
- 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 for the income that might not be collected.
- Revenue relating to Council Tax and Business Rates is measured at the full amount receivable (net of any impairment losses) as they are non-contractual, non-exchange transactions and there can be no difference between the delivery and payment dates.
- Accruals are recognised where the value exceeds £10,000.

1.3 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours

Cash equivalents are investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

1.4 Employee Benefits

Benefits Payable During Employment

Short-term employee benefits such as wages and salaries, paid annual leave, sick leave and expenses are paid monthly to employees and reflected as expenditure in the relevant service line in the Comprehensive Income and Expenditure Statement (CIES) as they become payable.

An accrual is made for the cost of holiday entitlements (or any form of leave, eg 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 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 entitlements are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are payable following a decision by the Authority to terminate an officer's employment before their normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits. Costs are recognised as a charge to the respective Service line in the CIES at the earlier of when the Authority can no longer withdraw the offer of redundancy or when the Authority recognises costs of restructuring.

Where termination benefits include the enhancement of pensions benefits, regulations require the General Fund to be charged with the amount payable to the pension fund or pensioner in the year, rather than the amount calculated under accounting standards. Entries are made in the Movement in Reserves Statement (MiRS) to transfer the accounting standards based entries to the Pension Reserve and replace these with the amount payable to the pension fund.

Post-employment Benefits

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

- The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE) and
- The Berkshire Local Government Pension Scheme, administered by Royal Borough of Windsor and Maidenhead

Both schemes provide defined benefits to members (e.g. retirement lump sums and pensions), earned as employees worked for the Authority or related parties

However, the arrangements for the Teachers' scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Authority. The scheme is therefore accounted for as if it was a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet.

The ED Children's Services line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pensions in the year.

The Local Government Pension Scheme

The Local Government Pension Scheme is accounted for as a defined benefits scheme:

- The liabilities of the Berkshire pension fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method
- The assets of the Berkshire 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 pensions liability is analysed into the following components:

Service cost comprising:

- current service cost and past service cost are recognised as charges to the CIES to the services for which the employees worked
- net interest on the net defined benefit liability is charged to the Financing and Investment Income and Expenditure line of the CIES. 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 (asset) 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.

Re-measurements comprising:

- the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
- actuarial gains and losses are charged to the Pensions Reserve as Other Comprehensive Income and Expenditure

The Authority's contributions to the Berkshire pension fund are charged to the General Fund by a transfer to the Pension Reserve via the MiRS in accordance with statutory requirements

Discretionary Benefits

The authority 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.

1.5 Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the authority becomes a party to the contractual provisions of a financial instrument. They are classified based on the business model for holding the instruments and their cashflow characteristics.

For the Authority's borrowings, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest). Interest charged to the CIES is the amount payable for the year according to the loan agreement.

The fair value of Public Works Loans Board (PWLB) loans is calculated using the certainty rate published by the PWLB on 31 March 2026.

For non-PWLB loans the fair value is deemed to be the standard new loan rate also published by the PWLB on 31 March 2026.

Financial Assets

The Authority has reviewed the classification of all its financial assets based on the business model for holding the assets and concluded that they are either:

- assets at amortised cost;
- fair value through other comprehensive income (FVOCI);or
- fair value through profit or loss (FVPL).

The authority's business model is to hold investments to collect contractual cash flows. 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 initially measured at fair value and subsequently carried at amortised cost. For the Authority this means that the amount presented in the Balance Sheet is the outstanding principal receivable plus accrued interest. Interest credited to the CIES is the amount receivable for the year under the loan agreement.

Financial Assets Measured at Fair Value through Other Comprehensive Income

Financial assets are measured and carried at fair value. All gains and losses due to changes in fair value are accounted for through a reserve account (the Financial Instruments Revaluation Reserve) and the balance debited or credited to the CIES when the asset is disposed of.

Income from FVOCI assets is recognised when the right to receive the payment is unconditional. Income is reported in the Financing and Investment Income and Expenditure line in the CIES.

Financial Assets Measured at Fair Value through Profit of Loss (FVTPL)

Financial assets that are measured at FVTPL are initially measured and subsequently carried at fair value. All movements in the fair value of the instrument (both realised and unrealised) are recognised as they occur in the Surplus or Deficit on the Provision of Services.

Impairment Losses

Allowances for impairment losses have been calculated for assets at amortised costs and FVOCI, applying the expected credit losses model.

The Authority recognises expected credit losses 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 Authority.

To calculate expected credit losses, in line with IFRS9, the following are reflected:

- PD (Probability of Default), LGD (Loss Given Default) and EAD (Exposure at Default) are reasonable and supportable;
- forward-looking economic factors are incorporated;
- staging (Stage 1, 2 or 3) is separately assessed;
- assumptions are documented and consistently applied; and
- judgement and qualitative factors are considered alongside the numerical output.

1.6 Government Grants and Contributions

Government grants and third party contributions and donations are recognised when there is reasonable assurance that:

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

Where conditions attached grants or contributions have not been satisfied, monies received to date are carried in the Balance Sheet as grants received in advance and credited to the CIES when the conditions are satisfied.

Ringfenced grants and contributions are credited to the relevant service within the CIES. Non-ringfenced grants are credited to the Taxation and Non-specific Grant Income line within the CIES.

Capital grants credited to the CIES, are transferred out of the General Fund Balance via the MiRS. 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.

1.7 Interests in Companies and Other Entities

The authority has material interests in two subsidiaries (James Elliman Homes Ltd and Slough Children First), which have been consolidated into the Council's Group Accounts on a line-by-line basis after first re-aligning accounting policies with the Authority where appropriate and eliminating intra-Group transactions.

In the Authority's single entity accounts, interests in the above companies are classified as long-term investments and measured at cost less provision for any losses.

All other interests in subsidiaries and an associate are not material to the Authority and are thus reported as financial instruments, where relevant. As the business model is to hold for the long-term rather than trade such interests, they are classified as FVOCI subject to any impairment allowance.

1.8 Investment Property

Investment properties are measured initially at cost and subsequently at fair value. Investment properties are not depreciated but are revalued annually according to market conditions at the year-end.

Revaluation gains and losses on revaluation are recognised in the Financing and Investment Income and Expenditure line in the CIES. The same treatment is applied to gains and losses on disposal. However, regulations do not permit unrealised or realised gains and losses to impact the General Fund balance. Therefore, gains and losses are transferred to the Capital Adjustment Account via an entry in the MiRS.

Expenditure and income in relation to investment properties together with any revaluation gains and losses or impairments are recognised in the Financing and Investment Income and Expenditure line within the CIES.

1.9 Leases

The Council as Lessee

The authority classifies contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The Code expands the scope of IFRS 16 Leases to include arrangements with nil consideration, peppercorn or nominal payments.

Initial measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The leases are typically for fixed periods in excess of one year but may have extension options.

The authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the authority is reasonably certain to exercise
- lease payments in an optional renewal period if the authority is reasonably certain to exercise an extension option
- penalties for early termination of a lease, unless the authority is reasonably certain not to terminate early

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received.

For peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

Subsequent measurement

The right-of-use asset is subsequently measured using the fair value model. The authority considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases
- leases where rent reviews do not necessarily reflect market conditions
- leases with terms of more than five years that do not have any provision for rent reviews
- leases where rent reviews will be at periods of more than five years.

For these leases, the asset is carried at a revalued amount. In these financial statements, right-ofuse assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration leases have been valued using market prices or rentals for equivalent land and properties.

The Council as Lessor

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method.

The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the estimate of the amount expected to be payable under a residual value guarantee
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the income statement.

Low value and short lease exemption

As permitted by the Code, the authority excludes leases:

- for low-value items that cost less than £10,000 when new, provided they are not highly dependent on or integrated with other items, and
- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the authority is reasonably certain to exercise and any termination options that the authority is reasonably certain not to exercise).

Lease expenditure

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed.

Depreciation and impairments are not charges against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

The Council as lessor

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.

Finance leases

Where the authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether property, plant and equipment or assets held for sale) is written off to the other operating expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the authority's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (ie netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and
- finance income (credited to the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement).

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

The written-off value of disposals is 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 therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

Operating leases

Where the authority 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 or where this is initiated by a service to the individual service, even if this does not match the pattern of payments (eg 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.

1.10 Overheads and Support Services

The costs of overheads and support services are charged to service segments in accordance with the authority's arrangements for accountability and financial performance.

1.11 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 Authority 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.

Property, plant and equipment is recognised where the initial cost or value exceeds £10,000.

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.

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 Authority). 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 Authority.

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

Asset type	Measurement basis
Vehicles, plant and equipment, infrastructure, community assets	Depreciated historical cost
Council dwellings	Current value, determined using the basis of existing use value for social housing (EUV–SH)
Assets under construction	Cost
Surplus assets	Fair value
School buildings and other specialised assets	Depreciated replacement cost which is used as an estimate of current value
All other assets	Current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV)

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

Assets included in 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. Indexation as advised by the valuers is applied to assets between the intervening years of revaluation where material. Increases in valuations as a result of revaluations or indexations 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.

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 service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is subsequently reversed, the reversal is credited to the relevant service line(s) in the CIES, 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).

Deprecation is calculated on the following bases:

- Dwellings and other buildings – straight-line allocation over the useful life of the property as advised by a qualified valuer (housing dwellings and flats – 54 years);
- Vehicles, plant, furniture and equipment – straight line allocation over a useful life between 3 and 35 years. The useful life is as advised by a suitably qualified officer or agent;
- Infrastructure – straight-line allocation over 10-40 year as advised by Highways engineers;
- Other operational buildings – straight-line allocation over the useful life (1-60 years) as advised by a qualified valuer;
- Car parks – straight-line allocation over the useful life (60 years) as advised by a qualified valuer.

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. This will only be applied where the omission to recognise and depreciate a separate component may result in a material difference to the depreciation charge.

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.

Disposals

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 CIES as part of the gain or loss on disposal. Gains and losses on disposal comprise the following:

The capital receipt from the proceeds of the sale. Only receipts over £10,000 are classed as capital receipts. The capital receipt element of the gain/loss on disposal is transferred to the Capital Receipts Reserve via the MiRS;

- The carrying value of the asset disposed of or decommissioned, which is transferred to the Capital Adjustment Account via the MiRS;

- Any costs of administering the disposal.

When an asset is enhanced, the authority derecognises the carrying value of the part of the asset being replaced.

Any revaluation gains accumulated for the asset in the Revaluation Reserve are written out to the Capital Adjustment Account.

Where required, a proportion of capital receipts relating to housing disposals may be payable to the government. If required, this will be disclosed in the other operating expenditure note.

1.12 Service Concessions

Service concessions (also known as PFI and similar contracts) are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the contractor. The Authority recognises the assets used under the contracts in the Balance Sheet within Property, Plant and Equipment, because it both controls the services provided under these contracts and as ownership of the property, plant and equipment will pass to the Authority at the end of the contracts for no additional charge.

The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment.

Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Authority.

The amounts payable to the PFI operators each year are analysed into five elements:

- Fair value of services received during the year – debited to the relevant service in the CIES;
- Finance cost – an interest charge on the outstanding Balance Sheet liability, debited to the FIIE line in the CIES;
- Variable payments – increases in the amount to be paid based on contractually agreed indices or rates arising during the contract, debited to the FIIE line in the CIES;
- Payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator (the amortisation pattern follows the effective interest rate method, consistent with IFRS16's approach to lease liabilities).
- Lifecycle replacement costs – a proportion of the amount payable is posted to the Balance Sheet as a prepayment and then recognised as additions to Property, Plant and Equipment when the relevant works are eventually carried out.

1.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised where the Authority has a legal or constructive obligation arising from a past event that will probably require settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the CIES when the Authority has an 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.

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

A provision for the best estimate of the amount that businesses have been overcharged up to 31st March 2025 in relation to Business Rates is calculated.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives a possible obligation whose existsence will only be confirmed by the occurence or otherwise of uncertain future events not wholly within the contro of the Council. No liability is recognised, as an outflow of economic resources as a result of present obligations is not probable. Instead, such situations are recognised as contingent liabilities in a note to the accounts, unless the outflow of resources is remote.

Contingent Assets

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts, if required.

1.14 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 MiRS. 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 transferred back into the General Fund Balance so that there is no net charge against council tax for the expenditure.

1.15 Revenue Expenditure Funded from Capital under Statute

Legislation requires defined items of revenue expenditure charged to services within the Comprehensive Income and Expenditure Statement to be treated as capital expenditure. Legislation in England and Wales allows some expenditure to be classified as capital for funding purposes when it does not result in the expenditure being carried on the Balance Sheet as a fixed asset. All such expenditure is transferred from the General Fund Balance to the Capital Adjustment Account via the MiRS and is included in the Capital Expenditure and Financing disclosure.

1.16 Capitalisation Direction

The Council will capitalise expenditure when directed to by the Secretary of State or where the Secretary of State has given a "minded to" decision of a capitalisation direction. In line with the Council's Minimum Revenue Provision (MRP) policy, MRP will be charged over a 20-year period in relation to these capitalisation directions. In many instances capital receipts from the Council's asset disposal programme will be used to reduce the capital financing requirement relating to capitalisation directions.

1.17 Schools

Under the Code, local authority maintained schools are considered to be separate entities with the balance of control lying with the Authority. The Code requires that the income, expenditure, assets and liabilities of maintained schools be accounted for within the single entity accounts of the Authority.

Academies and Free Schools are outside the Council's control and therefore not included in this Statement of Accounts.

1.18 VAT

The CIES excludes amounts relating to VAT. VAT is only recognised as an expense if it is not recoverable from Her Majesty's Revenue and Customs (HMRC). VAT receivable is excluded from income.

1.19 Minimum Revenue Provision (MRP)

The Council is not required to use Council Tax to fund depreciation, revaluation and impairment losses or amortisation of non-current assets. However, it is required to make an annual contribution from revenue towards provision for the reduction in its overall borrowing requirement equal to either an amount calculated on a prudent basis or as determined by the Council in accordance with statutory guidance. MRP has been charged in line with the Council's MRP Policy.

1.20 Fair Value Measurement

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

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

The authority measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The authority uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

1.21 Rounding

It is not the Council's policy to adjust for immaterial cross-casting differences between the main statements and disclosure notes.

Note 2: Accounting standards that have been issued but not yet adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the council to disclose information relating to the impact on the Council's financial performance or financial position of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code.

The standards introduced by the 2026/27 Code where disclosures are required in the 2025/26 financial statements, are:

- Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets) issued in March 2024
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024
- Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) issued in December 2024

It is not expected that the above amendment will have a material impact on the information provided in the statement of accounts.

Note 3: 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 following are considered critical management judgements in applying policies of the Council that have the most significant effects in the Statement of Accounts:

- Recognition of schools – the Council has completed a school-by-school assessment across the different schools operated within the Borough to determine the individual accounting treatments. Judgements have been made to determine the arrangements in place and the accounting treatment of the Non-Current Assets. As a result, the Council recognises school assets for Community schools, foundation schools and local authority nursery schools and Voluntary Aided Schools on the Balance Sheet. The Council does not recognise assets relating to voluntary aided, voluntary controlled schools, free schools and academies, as the view has been adopted that these entities were deemed to be owned by the relevant Dioceses or Trust following consultation and review.
- Interests in Council-owned companies – the Council has interests in several entities which fall within the group accounting boundary on the grounds of control and significant influence in line with the Code. These have required some judgement in terms of materiality. Only the interests in its wholly owned subsidiaries James Elliman Homes and Slough Children First have been consolidated into the Council's Group Accounts. More on the group arrangements can be seen in note 37, related parties and in the group accounts.
- ECL Provision – the Council has made judgements on probability of default and expected default on loans to subsidiary companies, and in terms of whether to apply 12-month expected loss instead of lifetime expected loss.
- Asset indexation – with effect from April 1 2025, the Council is required to revalue operational PPE valuations once every five years or on a five-year rolling basis, supported by indexation in intervening years, and authorities are to make a judgement as to whether the impact of indexation is material. If an authority determines that the impact is immaterial, then it does not

need to account for indexation in that year's accounts. Having accessed the impact of indexation on the accounts, we have come to a conclusion that the impact is immaterial and therefore will not adjust for indexation in the 2025/26 accounts.

- Capitalisation direction – on 20th February 2025 MHCLG wrote to Slough Borough Council stating that it was minded to approve a capitalisation direction for a total not exceeding £15.709m for the 2025/26 financial year. The Council has complied with the conditions of that request, and although a formal capitalisation direction has not been issued, the Council's accounts have been prepared on the basis that one has been issued for the full amount. This is because the Council judges that MHCLG's intention was that the financial statements should include the capitalised expenditure and that the formal approval of the capitalisation direction would be issued on publication of the audited financial statements.

Note 4: Assumptions made about the future and other sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be different from the assumptions and estimates. The items in the Council's Balance Sheet at 31 March 2026 for which there is a risk of adjustment in the following financial year are:

Item	Uncertainties	Effect if actual results differ from assumptions
Revaluation of Property, Plant and Equipment (PPE)	Property, plant, and equipment (with the exception of infrastructure, community assets, assets under construction and small value items of vehicles, plant and equipment) are revalued on a periodic basis and tested annually for indicators of impairment. Judgements are required to make an assessment as to whether there is an indication of impairment. This includes examination of capital expenditure incurred in the financial year to ascertain whether or not it has resulted in an increase in value of an asset. Advice has been provided by valuers engaged by the Council. If the actual results differ from the assumptions the value of PPE will be over or understated. This would be adjusted when the assets were next revalued. Where full revaluations are not undertaken annually, the Code permits the use of indexation to	The total PPE carrying value of £974.5m (including ROU assets) includes the following categories of asset that are subject to revaluation, operational land and buildings, council dwellings and surplus assets. If these assets had a revaluation increase of 1% the carrying value would rise by £9.3m. An increase in estimated valuations would result in increased revaluation gains to the Revaluation Reserve and/or reversals of impairments charged to the CIES in previous years. If estimated useful lives increase by one year this would reduce the depreciation charge of £28m by £1.7m (2024/25: £24m by £0.5m). If estimated useful lives decrease by one year this would increase depreciation by £2.3m (2024/25: £0.5m).

	update asset values between formal valuations.	
Valuation of council dwellings	Council dwellings are valued on a beacon methodology. This uses comparable sales evidence from the local area for the relevant property adjusted for floor area, local house price movement and regional indices	A 10% reduction in the estimated value of HRA dwellings would be a revaluation loss of £61.1m (2024/25: £62.2m). If estimated useful lives are overstated by 5% this would increase depreciation by £0.2m (2024/25: £0.5m).
Depreciation of Property, Plant and Equipment	Assets are depreciated based on 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 Council will be able to maintain the expenditure on repairs and maintenance resulting in uncertainty in the useful lives assigned to assets by the Valuers. If the useful life of assets is reduced depreciation increases and the carrying amount of assets falls.	It is estimated that the annual depreciation charge would increase by £2.3m for every year the useful lives are reduced. However, due to capital regulations, there would be no impact on the general fund balance. Percentages have been provided, based on professional judgement, for various components of council houses and flats. These percentages have been applied to the valuations of houses and flats to obtain valuations of the components to which useful lives are applied to calculate the depreciation on council dwellings. If these percentages were amended, the value of the council dwellings and the related depreciation would be over or under stated.
Revaluation of Investment Property	Investment properties are initially measured at cost. After initial recognition they are measured at fair value – highest and best use. The fair value reflects market conditions at the balance sheet date. Investment properties are valued using professional valuations based on the Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards. These valuations involve significant estimation techniques and assumptions, including: • Market rental values and yields: Based on comparable market transactions and expected future rental income. • Discount rates and capitalisation	Estimated fair values may differ from the actual prices that could be achieved in an arms-length transaction at the reporting date. Because these inputs are largely unobservable and subject to market volatility, actual outcomes may differ significantly from the assumptions applied. A change in any of these assumptions could materially affect the fair value of investment properties. It is estimated that the carrying value of investment property of £48.1m would increase by £0.5m for every 1% increase in valuation.

	yields: Reflecting prevailing market conditions and investor expectations. • Assumptions about occupancy and lease terms: Including future void periods and tenant covenant strength. • Economic conditions: Such as interest rates, inflation, and local property market trends.	
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. The Council has engaged Barnett Waddingham, as its consulting actuaries, to provide the Council with expert advice about the assumptions to be applied.	Variations in the key assumptions will have the following impact on the net pension liability of £422.9m (2024/25: £409.2m): (a) a 0.1% reduction in the discount rate will increase the net liability by £5.8m (2024/25: £6.0m). (b) a 0.1% increase in inflation will increase the net liability by £6.0m (2024/25: £5.9m). (c) an increase of one year in life expectancy will increase the liability by £15.0m (2024/25: £14.4m).
Impairment allowance for doubtful debts	At 31 March 2026, the Council had an impairment allowance of £43.1m (£34.8m, March 25) against gross short-term debtor balances totaling £101.0m (£93.5m March 25). It is not certain that this impairment allowance would be sufficient as the Council cannot assess with certainty which debts will be collected or not.	If an additional 5% of debts could not be recovered, the impairment allowance would need to increase by £5.0m (2024/25: £4.7m).

Note 5: Material items of income and expense

For the purpose of this note the Council considers material items to be around £6m. The Council has two material items in 2025/26:

1. £42.9m (2024/25 £36.3m) to Slough Children First for children's and young people services. The expenditure was charged to Children's services within the CIES.
2. In March 2022 the Department for Levelling Up, Housing and Communities (DLUHC) provided an "in principle" Capitalisation Direction of £307m to the Council under the Department's Extraordinary Financial Support programme. The Capitalisation Direction was issued in response to the S.114 Notice issued by the s.151 officer to the Council in July 2021. The s.114 Notice highlighted that the Council faced a significant unfunded financial deficit arising from financial challenges which have arisen over a number of years. The Capitalisation Direction subsequently approved in March 2024 is £348m for financial years to March 2028. The specific capitalisation direction reflected within the accounts for 2025/26 is £15.7m.

The Capitalisation Direction permits the Council to charge to capital, expenditure which would otherwise be revenue expenditure and then to finance the capitalised revenue expenditure from capital resources, namely by applying usable capital receipts and in the short-term setting aside minimum revenue provision.

The Capitalisation Directions reflected in the accounts up to 31 March 2026 are shown in the table below.

	Pre 1 April 2022 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Total	210,458	56,614	46,325	23,078	15,709	**352,184**

Note 6: Other operating expenditure

2024/25 £'000	Other operating expenditure	2025/26 £'000
299	Precepts and levies	371
(4,518)	(Gains)/losses on the disposal of non-current assets	(10,227)
(4,219)	**Total**	**(9,907)**

Note 7: Financing and investment income and expenditure

2024/25 £'000	Financing and investment income and expenditure	2025/26 £'000
17,593	Interest payable and similar charges	19,369
4,071	Net interest on the net defined benefit liability (asset)	1,361
(3,051)	Interest receivable and similar income	(3,294)
(7,595)	Income and expenditure in relation to investment properties and charges in their fair value	(5,509)
11,017	**Total**	**11,925**

Note 8: Taxation and non-specific grant income

2024/25 £'000	Taxation and non-specific grant income	2025/26 £'000
(79,237)	Council tax income	(85,838)
(29,303)	Non-domestic rates income	(35,458)
(34,537)	Non-ringfenced government grants	(25,007)
3,057	Capital grants and contributions	(19,700)
(140,020)	**Total**	**(166,003)**

Note 9: Expenditure and funding analysis

The Expenditure and Funding Analysis shows how the Council has used available funding for the year (i.e. government grants, rents, council tax and business rates) in providing services, in comparison with those resources that the Council has consumed or earned in accordance with generally accepted accounting practices. It also shows how the Council has allocated this expenditure for decision making purposes between the Council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Net Expenditure Chargeable to the General Fund and HRA 2024/25	Adjustments between Funding and Accounting Basis 2024/25	Net Expenditure in the Comprehensive Income and Expenditure Statement 2024/25	Expenditure and funding analysis All amounts £'000	Net Expenditure Chargeable to the General Fund and HRA 2025/26	Adjustments between Funding and Accounting Basis 2025/26	Net Expenditure in the Comprehensive Income and Expenditure Statement 2025/26
2,150	(69)	2,081	Monitoring Officer	2,286	(77)	2,209
5,161	(177)	4,985	Chief Execs Office	5,321	1,935	7,257
28,275	1,528	29,803	Corporate Resources	25,831	3,145	28,976
23,937	4,166	28,104	Regeneration, Housing & environment	16,860	10,971	27,832
45,886	1,107	46,994	Adults' services	49,933	1,304	51,237
46,528	7,601	54,125	Children's services	53,731	11,683	65,414
1,020	603	1,622	Public Health and Protection	917	1,172	2,089
(7,060)	(778)	(7,838)	Housing Revenue Account	(5,973)	8,180	2,207
145,894	**13,982**	**159,876**	**Net Cost of Services**	**148,906**	**38,315**	**187,221**
(133,837)	614	(133,223)	Other Income & expenditure	(132,149)	(31,835)	(163,984)
12,057	**14,596**	**26,653**	**(Surplus)/deficit on the provision of services**	**16,757**	**6,480**	**23,237**
(98,891)			Opening balance on the GF & HRA	(86,835)		
12,057			(Surplus)/deficit on the GF & HRA	16,757		
(86,834)			**Closing balance on the GF & HRA**	**(70,078)**		

Note: Some 2024/25 figures restated with opposite signage to align with conventional signage patterns for this note, as well as amalgamating last year's capitalisation direction column into the adjustments between funding and accounting basis column.

Note 9a: Note to the expenditure and funding analysis

Adjustments for capital purposes 2024/25 £'000	Net change for pension adjustments 2024/25 £'000	Other adjustments 2024/25 £'000	Total adjustments 2024/25 £'000	Line description	Adjustments for capital purposes 2025/26 £'000	Net change for pension adjustments 2025/26 £'000	Other adjustments 2025/26 £'000	Total adjustments 2025/26 £'000
-	(69)	-	**(69)**	Monitoring Officer	-	(77)	-	**(77)**
-	(177)	-	**(177)**	Chief Execs Office	2,180	(245)	-	**1,935**
7,837	(6,169)	(139)	**1,528**	Corporate Resources	5,643	(3,328)	830	**3,145**
4,909	(742)	-	**4,166**	Regeneration, Housing & environment	11,960	(989)	-	**10,971**
1,537	(430)	-	**1,107**	Adults' services	1,860	(556)	-	**1,304**
6,772	829	-	**7,601**	Children's services	13,439	(1,756)	-	**11,683**
815	(213)	-	**603**	Public Health and Protection	1,463	(291)	-	**1,172**
(926)	(27)	175	**(778)**	Housing Revenue Account	8,877	(696)	-	**8,180**
20,944	**(6,998)**	**36**	**13,982**	**Net Cost of Services**	**45,422**	**(7,938)**	**830**	**38,315**
(4,518)	-	-	**(4,518)**	Other income and expenditure from the Funding Analysis	(10,256)	-	-	**(10,256)**
(2,848)	4,071	-	**1,223**	Financing and Investment income and expenditure	(873)	1,361	-	**488**
2,989	-	920	**3,910**	Taxation and non-specific grant income and expenditure	(19,474)	-	(2,593)	**(22,067)**
16,567	**(2,927)**	**956**	**14,596**	**Difference between General Fund (surplus)/deficit and the CIES (surplus)/deficit on provision of services**	**14,819**	**(6,577)**	**(1,762)**	**6,480**

Note: 2024/25 figures restated with opposite signage to align with conventional signage patterns for this note.

Adjustments for Capital Purposes

This column adds in depreciation and impairment and revaluation gains and losses in the services line, and 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.
- Financing 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 in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

Net Change for the Pensions Adjustments

This column adjusts for the net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- For services this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs.
- For Financing and investment income and expenditure – the net interest on the defined benefit liability is charged to the CIES.

Other Statutory Adjustments

Other statutory adjustments between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For example the charge under Taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future surpluses or deficits on the Collection Fund.

Note 9b: Expenditure and income analysed by nature

2024/25 Restated £'000	Expenditure and income analysed by nature	2025/26 £'000
	Expenditure	
119,335	Employee Benefit Expenses	127,937
333,681	Other Service Expenses	351,240
24,422	Depreciation, Amortisation, Impairment	27,250
21,664	Interest Payments	20,730
298	Precepts and Levies	371
-	Payments to the Housing Capital Receipts Pool	-
(4,518)	(Gains)/losses on disposal of non-current assets	(10,278)
(8,206)	Revaluation Loss on Property, Plant & Equipment	15,233
486,676	**Total expenditure**	**532,483**
	Income	
(124,776)	Fees, charges and other service income	(126,924)
(7,889)	Interest and investment income	(8,387)
(108,540)	Income from council tax, non-domestic rates	(121,296)
(218,817)	Government Grants and Contributions	(252,609)
(460,023)	**Total income**	**(509,246)**
26,654	**(Surplus) or Deficit on the Provision of Services**	**23,237**

The 2024/25 figures have been restated to better align with standard presentation.

Note 10: Partnership arrangements

The Council has entered into two pooled budget arrangements, the Better Care Fund and Berkshire Community Equipment Store.

Better Care Fund (BCF)

The Council began hosting the Better Care Fund from the 1st April 2015. This is part of a national initiative to pool health and social care funding of services to achieve better health and care for the local community. The Better Care Fund is a partnership between NHS England, the Ministry of Housing, Communities and Local Government, the Department of Health and Social Care and the Local Government Association.

The Better Care fund is a pooled budget agreement and operates according to an agreement made under section 75 of the National Health Act 2006 between Slough Borough Council and Frimley Integrated Care Board.

In 2025/26 the fund comprised of 51 schemes mainly grouped under the following headings:

- Acute
- Social Care
- Community and Primary Health

In 2025/26 Slough Borough Council funding included £3.989m of improved better care fund (BCF) grant (£3.989m in 2024/25). In accordance with the section 75 agreement, NHS funded services that are commissioned directly by the clinical commissioning group, do not require transactions to be via the Council.

Berkshire Community Equipment Store

The Community Equipment Stores Agreement used NRS Healthcare as an agent to provide the services until end of July 2025. From 1 August 2025, the supplier has been changed from NRS Healthcare to Millbrook Healthcare. The six Berkshire Unitary Authorities and the Berkshire Clinical Commissioning Groups are members of the agreement with West Berkshire Council as the lead partner.

2024/25 BCF Restated £'000	2024/25 BCES £'000	Line description	2025/26 BCF £'000	2025/26 BCES £'000
(6,337)	(866)	Authority Funding	(6,437)	(678)
0	(55)	Slough Children First Funding	0	(27)
(13,081)	(11,589)	Partner Funding	(13,375)	(12,036)
(19,418)	**(12,510)**	**Total Funding provided to the Pooled Budget/Funding within the Pooled Budget**	**(19,812)**	**(12,741)**
15,387	0	Authority Expenditure	16,196	0
4,031	12,510	Partner Expenditure	3,616	12,741
19,418	**12,510**	**Total Expenditure**	**19,812**	**12,741**

Prior year's BCF numbers has been restated based on updated data available

Note 11: Members' allowances

The Council paid allowances to its members in 2025/26 of £0.627m (£0.625m in 2024/25).

Note 11a: Exit packages and termination benefits

The number 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 2024/25	Number of compulsory redundancies 2025/26	Number of other departures agreed 2024/25	Number of other departures agreed 2025/26	Total number of exit packages by cost band 2024/25	Total number of exit packages by cost band 2025/26	Total cost of exit packages in each band 2024/25 £'000	Total cost of exit packages in each band 2025/26 £'000
£0 - £20,000	2	3	44	42	46	45	74	150
£20,001 - £40,000	-	4	1	4	1	8	39	254
£40,001 - £60,000	2	-	-	-	2	-	98	-
£60,001 - £80,000	-	2	-	-	-	2	-	145
£80,001 - £100,000	-	-	-	1	-	1	-	85
£100,001 - £150,000	-	-	-	1	-	1	-	126
£150,001 - £200,000	1	1	-	-	1	1	187	152
£200,001 - £250,000	1	-	-	-	1	-	205	-
£250,001 - £300,000	-	-	-	-	-	-	-	-
£300,001 - £350,000	1	-	-	-	1	-	334	-
£350,001 and over	-	-	-	-	-	-	-	-
Total	**7**	**10**	**45**	**48**	**52**	**58**	**937**	**912**

Note 11b: Officers' remuneration

The remuneration of senior employees, defined as those who are members of Management Board, or those holding statutory posts is shown below. In line with requirements, names are provided where salary exceeds £150,000.

2025/26	Salary including fees and allowances £'000	Compensation for loss of office £'000	Total Remuneration excluding Pension costs £'000	Employers Pension Contribution £'000	Total Remuneration inc. Pension contribution £'000	Note
Managing Director Commissioner / Chief Executive, William Tuckley	316		316		316	*1&2*
Executive Director of Corporate Resources						
Annabel Scholes (until 02/09/2025)	76		76	12	88	
Christopher Holme (03/09/2025 until 09/09/2025)	6		6		6	*1*
Ian O'Donnell (10/09/2025 onwards)	181		181		181	*1*
Executive Director: Children's Services						
Susan Butcher (until 06/02/2026)	140	78	218	23	240	
07/02/2026 until 09/03/2026	7		7		7	*3*
Debbie Jones (10/03/2026 onwards)	13		13		13	*1*
Director of: Public Health & Public Protection, Tessa Lindfield	155		155	27	181	
Executive Director: Adults' Services	147		147	25	172	
Executive Director: Regeneration, Housing and Environment, Patrick Hayes	155		155	27	181	
Director of Law and Governance (Monitoring Officer)	137	33	170	23	193	
Director Strategy, Change & Resident Engagement	126		126	22	148	

Note 1: This is the total paid to the agency, including their fees.

Note 2: The Managing Director Commissioner / Chief Executive was appointed by the Secretary of State at a day rate of £1,100 (also set by the Secretary of State). Days worked during 2025/26 were 213, totalling £234,300. Employment is through an agency, and so the remaining costs are oncosts such as employers national insurance. It also includes a backdated charge for oncosts relating to prior periods which were previously incorrectly deducted from the individual.

Note 3: This is the total paid by SBC to Slough Children First, which is 50% of the agency cost they incurred for the role during the period.

2024/25	Salary including fees and allowances £'000	Compensation for loss of office £'000	Total Remuneration excluding Pension costs £'000	Employers Pension Contributions £'000	Total Remuneration including Pension contributions £'000	Note
Chief Executive, William Tuckley	202		202		202	*1*
Executive Director: Corporate Resources						
1/04/2024-06/05/2024, (via agency)	21		21		21	*1*
Annabel Scholes (07/05/2024 onwards)	232		232	7	239	*2*
Executive Director: Children's Services	150		150	26	176	
Director of: Public Health & Public Protection	140		140	24	164	
Executive Director: Adults' Services						
until 03/09/2024	61		61	4	65	
04/09/2024 onwards	58		58	10	68	
Executive Director: Regeneration, Housing and Environment	150		150	26	176	
Director of Law and Governance (Monitoring Officer)						
21/09/2022 to 31/03/2024	19		19		19	
01/05/2024 onwards (f)	112		112	21	133	
Director of: Strategy and Transformation (15/07/2024 onwards) (g)	84		84	15	99	

Note 1: This is the total paid to the agency, including their fees.

Note 2 Held this post from 07/05/2024 to 01/01/2025 via Agency, and then from 02/02/2025 directly. The amount disclosed includes the total paid to the agency for fulfilling this role prior to permanent appointment, including agency fees, totalling £195k. Appointed as permanent employee from 02/02/2025.

Note 11c: Officers' remuneration banding

The Council's other employees (excluding senior officers disclosed in Note 11b) receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts.

	2024/25 Number of employees Schools	2024/25 Number of employees Non Schools Restated	2024/25 Number of employees Total Restated	2025/26 Number of employees Schools	2025/26 Number of employees Non Schools	2025/26 Number of employees Total
£50,001-£55,000	47	55	**102**	64	66	**130**
£55,001-£60,000	25	33	**58**	35	33	**68**
£60,001-£65,000	21	5	**26**	33	21	**54**
£65,001-£70,000	10	14	**24**	16	15	**31**
£70,001-£75,000	11	7	**18**	9	9	**18**
£75,001-£80,000	5	2	**7**	8	6	**14**
£80,001-£85,000	6	4	**10**	12	1	**13**
£85,001-£90,000	2	2	**4**	5	3	**8**
£90,001-£95,000	3	-	**3**	4	6	**10**
£95,001-£100,000	-	1	**1**	2	-	**2**
£100,001-£105,000	1	5	**6**	1	-	**1**
£105,001-£110,000	-	1	**1**	1	2	**3**
£110,001-£115,000	2	3	**5**	1	-	**1**
£115,001-£120,000	-	-	**-**	1	-	**1**
£120,001-£125,000	-	1	**1**	-	2	**2**
£125,001-£130,000	1	-	**1**	-	4	**4**
£130,001-£135,000	-	-	**-**	1	2	**3**
£135,001-£140,000	2	-	**2**	-	-	**-**
£140,001-£145,000	-	-	**-**	2	-	**2**
£145,001-£150,000	-	-	**-**	-	-	**-**
Total	**136**	**133**	**269**	**195**	**170**	**365**

Note 12: External audit fees

The Council's external auditors for the audit of the Statement of Account in 2024/25 are Grant Thornton LLP. The Council's external auditors for the certification of grant claims are Grant Thornton LLP. The Authority has incurred the following expenditure for services provided by the external auditors for the relevant year:

2024/25 £'000	External audit fees	2025/26 £'000
526	Fees payable to external auditors with regard to external audit services carried out by the appointed auditor for the year	561
135	Fees payable in respect of other services provided by external auditors during the year	-
(1,026)	Prior years' accrual adjustments*	(162)
(365)		**399**

The 2025/26 fee noted above is an estimate; due to ongoing work, the final fee is subject to change and will differ from the amount accrued in the accounts, shown above, because the fees are still subject to approval by PSAA. The £0.162m (FY 2024-25 £1.026m) reversal to the prior year accrual is due to accruing at scale fee levels but actuals being lower due to reduced audit costs as a result of the back stop arrangements.

Note 13: Dedicated Schools Grant (DSG)

The Council's expenditure on schools is funded primarily by grant monies provided by the Department for Education, the Dedicated Schools Grant (DSG). An element of DSG is recouped by the Department to fund academy schools in the council's area. DSG is ringfenced and can only be applied to meet expenditure properly included in the Schools Budget, as defined in the Schools and Early Years Finance (England) Regulations 2017. Schools Budget includes elements for a range of educational services provided on an authority-wide basis and the Individual Schools Budget, which is divided into a budget share for each maintained school, funding for early years providers, and high-needs payments to providers

Central expenditure 2024/25 £'000	Individual schools budget 2024/25 £'000	Total 2024/25 £'000	Line description	Central expenditure 2025/26 £'000	Individual schools budget 2025/26 £'000	Total 2025/26 £'000
		231,858	Final DSG before academy and high needs recoupment			251,911
		139,602	Academy and high needs figure recouped			150,756
		92,256	**Total DSG after recoupment**			**101,155**
		15,294	Plus: Brought forward DSG			14,942
		(15,294)	Less: Carry-forward to future years agreed in advance			(14,942)
29,350	**62,906**	**92,256**	**Agreed initial budgeted distribution**	**32,436**	**68,718**	**101,155**
2,070	(743)	1,327	In-year adjustments	3,240	(1,090)	2,150
31,420	**62,163**	**93,583**	**Final budget distribution**	**35,676**	**67,628**	**103,305**
31,773		31,773	Less: Actual central expenditure	42,271		42,271
0	62,163	62,163	Less: Actual ISB deployed to schools		67,628	67,628
0		0	Plus: Local authority contribution for the year	0		0
(353)	**0**	**(353)**	**In-year carry-forward**	**(6,594)**	**0**	**(6,594)**
0	0	15,294	Plus: Carry-forward to future years agreed in advance			14,942
		14,941	Carry-forward to future year			8,348
		(25,430)	Total of DSG unusable reserve			(25,430)
		(10,489)	**Net DSG position at the end of the year**			**(17,082)**

Note 14: Grant income

The authority credited the following grants and contributions to the comprehensive income and expenditure statement.

2024/25 £'000	Grant income	2025/26 £'000
	Credited to taxation and non-specific grant income	
	Non-ringfenced grants:	
(3,678)	PFI Grant	(3,678)
(10,144)	Adult Social Care Grant	0
(11,125)	Section 31 Grant	(11,933)
(7,786)	Revenue Support Grant	(8,024)
(501)	New Homes Bonus Grant	(1,373)
(508)	COVID-19	0
(211)	Services Grant	0
(586)	Other grants	0
(34,538)	**Total of non-ringfenced grants**	**(25,007)**
3,057	**Capital grants and contributions**	**(19,700)**
(31,481)	**Total credited to taxation and non-specific grant income**	**(44,707)**
	Credited to services:	
(90,720)	Dedicated Schools Grant (excluding Safety Valve)	(100,295)
(2,070)	Dedicated Schools Grant (Safety Valve Funding)	(3,240)
(41,450)	DWP Subsidy	(36,859)
0	Adult Social Care Grant	(11,772)
(8,214)	Public Health Grant	(8,759)
(3,989)	Improved Better Care Fund / Local Authority Better Care Grant	(4,922)
(3,053)	YPLA Post 16 Funding	(3,008)
(1,354)	Homelessness Prevention Grant	(2,964)
0	Extended Producer Responsibility Grant	(2,733)
0	Recovery Grant	(2,570)
(2,255)	Market Sustainability and Fair Cost of Care Fund	(2,255)
(6,697)	Education Grants	(2,139)
(4,517)	Household Support Grant	(2,076)
(2,637)	Pupil Premium	(2,019)
(419)	Core schools budget grant (special schools)	(1,724)
0	Children and Families Grant *	(1,535)
0	Employer National Insurance Contribution	(1,255)
(2,065)	Individual Placement Project	(1,193)
(65)	Afghan Citizen Resettlement Scheme	(1,112)
(14,773)	Other grants	(15,471)
(184,279)	**Total of grants credited to net cost of services**	**(207,902)**
(215,760)	**Total of grants and contributions to the comprehensive income and expenditure statement**	**(252,609)**

** New for 2025/26, combining several historic DfE grants.*

Within the balance sheet, the following grants are shown as capital grants and contributions receipts in advance within non-current liabilities.

Capital grants and contributions receipts in advance (non-current liabilities)

2024/25 £'000	Capital grants and contributions receipts in advance (non-current liabilities)	2025/26 £'000
(14,627)	Section 106 agreements	(14,147)
(9,046)	Active Travel Fund (DfT)	(8,371)
(4,383)	Levelling Up Fund (DfT)	(5,858)
(1,316)	NetZero capital grant (DESNZ)	(1,836)
(1,951)	Stoke Road Regeneration (LEP)	(1,475)
(2,960)	Other	(2,657)
(34,283)	**Total Grants Receipts in Advance**	**(34,345)**

Note 15: Adjustments between accounting basis and funding basis under regulations

The resources available to the Council in any financial year and the expenses that are charged against those resources are specified by statute (the Local Government Act 2003 and the 2003 Regulations). Where the statutory provisions differ from the accruals basis used in the Comprehensive Income and Expenditure Statement, adjustments to the accounting treatment are made in the Movement in Reserves Statement (MIRS) so that usable reserves reflect the funding available at the year-end. Unusable reserves are created to manage the timing differences between the accounting and funding bases. The material adjustments are:

Expense	Accounting Basis in CIES	Funding Basis in MIRS	Adjustment Account
Property, plant and Equipment	Depreciation and revaluation/impairment losses	Minimum Revenue provision (MRP) to cover historical cost	Capital Adjustment Account
Intangible Assets	Amortisation and impairment	Minimum Revenue provision (MRP) to cover historical cost	Capital Adjustment Account
Investment Properties	Movements in fair value	Minimum Revenue provision (MRP) to cover historical cost	Capital Adjustment Account
REFCUS	Expenditure incurred in the relevant year	Minimum Revenue provision (MRP) to cover historical cost	Capital Adjustment Account
Capital Grants and Contributions	Grants that became unconditional in year or were received in year without conditions	No credit	Capital Grants Unapplied Reserve
Pensions Costs	Movements in pensions assets and liabilities (see Note 32)	Employer’s pensions contributions payable and direct payments made by the Council to pensioners for the year	Pensions Reserve
Council Tax	Accrued income from bills raised during the year	Demand on the Collection Fund for the year plus share of estimated surplus/deficit	Collection Fund Adjustment Account

Business rates	Accrued income from bills raised during the year	Demand on the Collection Fund for the year plus share of estimated surplus/deficit	Collection Fund Adjustment Account
Dedicated Schools Grant	Expenditure incurred in year to be met from Dedicated Schools Grant	Expenditure incurred up to the grant receivable for the year	Dedicated Schools Grant Adjustment Account

The layout of the note has been updated compared to 2024/25, to aid understanding and to improve comparability with other local authorities.

Adjustments between accounting and funding basis All amounts £'000, 2025/26	General fund	Housing revenue account	Capital receipts reserve	Major repairs reserve	Capital grants unapplied	Total
Adjustments to revenue resources:						
Pension costs	6,003	574	-	-	-	**(6,577)**
Financial instruments (FIAA)	38	-	-	-	-	**(38)**
Council tax and business rates	2,593	-	-	-	-	**(2,593)**
Holiday pay	(869)	-	-	-	-	**869**
Revenue expenditure funded by capital under statute	(14,888)	-	-	-	-	**14,888**
Capitalisation direction (effectively REFCUS)	(15,709)	-	-	-	-	**15,709**
Reversal of entries included in the surplus or deficit on the provision of services in relation to capital expenditure	(15,052)	(15,485)	-	-	-	**30,537**
Total adjustments to revenue resources	**(37,884)**	**(14,911)**	**-**	**-**	**-**	**52,795**
Adjustments between revenue and capital resources:						
Transfer of non-current asset sale proceeds from revenue to capital grants and receipts unapplied	2,698	32,637	(35,335)	-	-	**-**
Transfer of non-current asset sale proceeds from revenue to deferred capital receipts	(602)	-	-	-	-	**602**
Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(15,107)	(9,369)	-	-	-	**24,477**
Transfer of capital grants and contributions to capital grants unapplied	7,471	-	-	-	(7,471)	**-**
Administrative costs of non-current asset disposals (funded by a contribution from the capital receipts reserve)	(311)	(818)	1,128	-	-	**-**
Posting of HRA resources from revenue to the major repairs reserve	-	9,987	-	(9,987)	-	**-**
Statutory provision for the repayment of debt (transfer from the CAA)	19,690	-	-	-	-	**(19,690)**
Total adjustments between revenue and capital resources	**13,839**	**32,437**	**(34,207)**	**(9,987)**	**(7,471)**	**5,389**
Adjustments to capital resources:						
Use of the capital receipts reserve to finance capital expenditure	-	-	14,231			**(14,231)**
Use of the major repairs reserve to finance capital expenditure	-	-		13,589		**(13,589)**
Application of capital grants to finance capital expenditure	-	-			8,071	**(8,071)**
Other adjustments	22	18	-	-	-	**(39)**
Total adjustments to capital resources	**22**	**18**	**14,231**	**13,589**	**8,071**	**(35,930)**
Total adjustments	**(24,023)**	**17,543**	**(19,975)**	**3,602**	**600**	**22,253**

Adjustments between accounting and funding basis All amounts £'000, 2024/25	General fund	Housing revenue account	Capital receipts reserve	Major repairs reserve	Capital grants unapplied	Total
Adjustments to revenue resources:						
Pension costs	3,632	(705)	-	-	-	2,927
Financial instruments (FIAA)	58	-	-	-	-	58
Pooled investment funds	(910)	-	-	-	-	(910)
Council tax and NDR	(920)	-	-	-	-	(920)
Holiday pay	512	-	-	-	-	512
Reversal of entries included in the surplus or deficit on the provision of services in relation to capital expenditure	(44,176)	(15,377)	-	-	-	(59,553)
Total adjustments to revenue resources	**(41,804)**	**(16,082)**	**-**	**-**	**-**	**(57,886)**
Adjustments between revenue and capital resources:						
Transfer of non-current asset sale proceeds from revenue to capital grants and receipts unapplied	6,350	13,584	(19,933)	-	-	-
Transfer of capital grants and contributions to capital grants unapplied	(2,705)	-	-	-	2,705	-
Administrative costs of non-current asset disposals (funded by a contribution from the capital receipts reserve)	(553)	(206)	759	-	-	-
Payments to the government housing receipts pool (funded by a transfer from the capital receipts reserve)	-	-	-	-	-	-
Posting of HRA resources from revenue to the major repairs reserve	-	9,848	-	(9,848)	-	-
Statutory provision for the repayment of debt (transfer from the capital adjustment account)	16,799	-	-	-	-	16,799
Capital expenditure financed from revenue balances (transfer to the capital adjustment account)	170	-	-	-	-	170
Total adjustments between revenue and capital resources	**20,061**	**23,226**	**(19,174)**	**(9,848)**	**2,705**	**16,970**
Adjustments to capital resources:						
Use of the capital receipts reserve to finance capital expenditure	-	-	76,934	-	-	76,934
Use of the major repairs reserve to finance capital expenditure	-	-	-	13,944	-	13,944
Application of capital grants to finance capital expenditure	-	-	-	-	11,358	11,358
Total adjustments	**(21,740)**	**7,143**	**57,759**	**4,096**	**14,063**	**61,318**

As noted above, this note has been re-presented compared to 2024/25 to aid understanding and to improve comparability with other local authorities.

Note 16: Unusable reserves

2025/26 Unusable reserves movements	Opening Balance 1 April £'000	Other Comprehensive Income and Expenditure £'000	Adjustments to Revenue Resources £'000	Capital and Revenue Financing £'000	Other Movements £'000	Closing Balance 31 March £'000
Revaluation Reserve	(457,144)	(3,885)	-	8,483	6,950	**(445,596)**
Capital Adjustment Account	(22,932)	-	61,134	(39,587)	(6,989)	**(8,374)**
Collection Fund Adjustment Account	1,350	-	(2,593)	-	-	**(1,243)**
Dedicated Schools Grant Adjustment Account	25,430	-	-	-	-	**25,430**
Accumulated Absences Account	491	-	869	-	-	**1,359**
Financial Instruments Adjustment Account	337	-	(38)	-	-	**298**
Pooled Investments Fund Adjustment Account	-	-	-	-	-	**-**
Pensions Reserve	46,516	9,116	(6,577)	-	-	**49,055**
Deferred Capital Receipts Reserve	(602)	-	-	602	-	**-**
Total adjustments	**(406,554)**	**5,231**	**52,795**	**(30,502)**	**(39)**	**(379,069)**

2024/25 Unusable reserves movements	Opening Balance 1 April £'000	Other Comprehensive Income and Expenditure £'000	Adjustments to Revenue Resources £'000	Capital and Revenue Financing £'000	Other Movements £'000	Closing Balance 31 March £'000
Revaluation Reserve	(476,498)	6,220	-	-	13,134	**(457,144)**
Capital Adjustment Account	49,853	-	36,543	(96,194)	(13,134)	**(22,932)**
Collection Fund Adjustment Account	430	-	920	-	-	**1,350**
Dedicated Schools Grant Adjustment Account	25,430	-	-	-	-	**25,430**
Accumulated Absences Account	1,003	-	(512)	-	-	**491**
Financial Instruments Adjustment Account	395	-	(58)	-	-	**337**
Pooled Investments Fund Adjustment Account	(911)	-	910	-	-	**-**
Pensions Reserve	108,109	(58,666)	(2,927)	-	-	**46,516**
Deferred Capital Receipts Reserve	(602)	-	-	-	-	**(602)**
Total adjustments	**(292,791)**	**(52,446)**	**34,876**	**(96,194)**	**-**	**(406,554)**

Note 16a: Revaluation reserve

The revaluation reserve contains the gains made by the Council arising from increases in the value of its property, plant and equipment [and intangible assets]. The balance is reduced when assets with accumulated gains are:

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

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.

2024/25 £'000	Revaluation Reserve account	2025/26 £'000
(476,498)	**Balance at 1 April**	**(457,143)**
6,221	Surplus on revaluation of non-current assets not posted to the surplus/deficit on the provision of services	(4,546)
0	PFI Liability re-measurement	662
	Total Amount written off to the Capital Adjustment Account	
7,136	Difference between current value depreciation and historical cost depreciation	6,950
0	Accumulated gains on assets disposed of in the year	8,483
5,998	Other adjusting amounts written off to the Capital Adjustment Account	0
(457,143)	**Balance at 31 March**	**(445,596)**

Note 16b: 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 additions to those assets under statutory provisions. The account is debited with the cost of acquisition, construction or subsequent costs as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement. The account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and subsequent expenditure.

The account contains accumulated gains and losses on investment properties.

The account also contains revaluation gains accumulated on property, plant and equipment before 1 April 2007, the date that the revaluation reserve was created to hold such gains.

Note 15 provides details of the source of all the transactions posted to the account, apart from those involving the revaluation reserve.

2024/25 £'000	Capital adjustment account	2025/26 £'000
49,853	**Balance at 1 April**	**(22,932)**
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement	
24,218	Depreciation of Property, Plant and Equipment, and Heritage Assets	27,932
226	Amortisation and Impairment Losses of Intangible Assets	191
(8,175)	Revaluation and Impairment Losses on Property, Plant and Equipment	10,026
-	Impairment/Fair Value Adjustment of Loans	5,225
5,620	Revenue Expenditure Funded from Capital Under Statute	14,888
14,707	Carrying amounts of Non-Current Assets written off on disposal as part of the Gain/Loss on Disposal in the Comprehensive Income and Expenditure Statements	24,477
23,078	Capitalisation Direction	15,709
-	Other adjustments	(3,525)
59,674	**Subtotal**	**94,922**
	Adjusting Amounts written out of the Revaluation Reserve	
(5,998)	Valuation of assets disposed of in the Comprehensive Income and Expenditure Statement	(8,483)
(7,136)	Difference in Current Cost and Fair Value depreciation	(6,950)
(13,134)	**Net Written Out Amount of the Cost of Non-Current Assets Consumed in the Year**	**(15,432)**
	Capital financing applied in the year:	
(1,345)	Capital Receipts applied to finance Capital Expenditure	(5,531)
(170)	Revenue contributions to fund capital expenditure	-
(13,944)	Major Repairs Reserve applied	(13,589)
(11,426)	Capital grants and contributions applied	(8,478)
-	Use of Capital grants and contributions from capital grants unapplied	(8,071)
(16,799)	Statutory provision for the financing of capital investment charged against the General Fund and HRA balances	(19,690)
(75,589)	Use of Capital Receipts to Reduce Capitalisation Direction Element CFR	(8,700)
(119,273)	**Subtotal**	**(64,059)**
(21)	Movement in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement	(873)
(31)	Other Movements	-
(22,932)	**Balance at 31 March**	**(8,374)**

Note 16c: Collection fund adjustment account

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

2024/25 £'000	Collection fund adjustment account	2025/26 £'000
430	Balance at 1 April	1,350
920	Amount by which council tax and non-domestic rates income credited to the CIES is different from council tax income calculated for the year in accordance with statutory requirements	(2,593)
1,350	**Balance at 31 March**	**(1,243)**

Note 16d: Dedicated Schools Grant adjustment account

The Dedicated Schools Grant Adjustment Account holds accumulated deficits relating to the schools budget.

2024/25 £'000	Dedicated Schools Grant adjustment account	2025/26 £'000
25,430	Balance at 1st April	25,430
0	School budget deficit transferred from General Fund in accordance with statutory requirements	0
25,430	**Balance at 31st March**	**25,430**

Note 16e: Accumulated absences account

The Accumulated Absences Account reflects the differences that would otherwise arise on the general fund 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 is entries on this account.

2024/25 £'000	Accumulated absences account	2025/26 £'000
1,003	Balance at 1st April	491
(1,003)	Settlement or cancellation of accrual made at the end of preceding year	(491)
491	Amounts accrued at the end of the current year	1,359
491	**Balance at 31st March**	**1,359**

Note 16f: Financial instruments adjustment account

The financial instruments 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.

2024/25 £'000	Financial instruments adjustment account	2025/26 £'000
395	Balance at 1st April	337
(58)	Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	(38)
337	**Balance at 31st March**	**298**

Note 16h: Pensions reserve

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

2024/25 £'000	Pensions reserve	2025/26 £'000
108,109	Balance at 1 April	46,516
(58,666)	Actuarial gains/(losses) on pensions assets & liabilities	9,116
11,507	Reversal of items relating to retirement benefits debited or credited to the (Surplus)/deficit on provision of services in the Comprehensive Income & Expenditure Statement	8,519
(14,434)	Employer's pensions contributions & direct payments to pensioners payable in the year	(15,097)
46,516	**Balance at 31 March**	**49,054**

Note 16i: Deferred capital receipts reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of noncurrent assets but for which cash settlement has yet to take place. Under statutory arrangements, the authority 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.

2024/25 £'000	Deferred capital receipts reserve	2025/26 £'000
(602)	Balance at 1st April	(602)
0	Derecognition/(recognition) of deferred capital receipt	602
0	Realisation of deferred capital receipt transferred to CRR	0
(602)	**Balance at 31st March**	**0**

Note 17: Transfers to/from 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.

1 April 2024 £'000	Transfers in £'000	Transfers out £'000	31 March 2025 £'000	Movement in earmarked reserves	1 April 2025 £'000	Transfers in £'000	Transfers out £'000	31 March 2026 £'000
(5,391)	-	1,733	**(3,657)**	Transformation Reserve	(3,657)	-	998	**(2,659)**
(9,715)	-	4,612	**(5,103)**	Budget Smoothing	(5,103)	(4,216)	8,627	**(692)**
(1,061)	(123)	998	**(186)**	Directorate Carry Forwards	(186)	(175)	123	**(238)**
(5,915)	-	742	**(5,173)**	Redundancy Reserve	(5,173)	-	338	**(4,835)**
(2,098)	(1,411)	2,291	**(1,217)**	Risk Reserve	(1,217)	1,077	129	**(11)**
(10,145)	(650)	6,212	**(4,584)**	General fund other	(4,584)	(4,566)	1,449	**(7,700)**
(34,325)	**(2,185)**	**16,589**	**(19,920)**	**General Fund earmarked reserves**	**(19,920)**	**(7,879)**	**11,665**	**(16,135)**
(10,013)	(1,113)	1,213	**(9,913)**	Schools - other	(9,913)	(2,920)	77	**(12,756)**
(15,295)	353	-	**(14,942)**	DSG Useable reserves	(14,942)	-	6,594	**(8,347)**
(25,308)	**(760)**	**1,213**	**(24,854)**	**Schools total**	**(24,854)**	**(2,920)**	**6,671**	**(21,103)**
(59,633)	**(2,944)**	**17,802**	**(44,774)**	**Total Earmarked reserves**	**(44,774)**	**(10,800)**	**18,336**	**(37,238)**

Name	Purpose
Transformation Reserve	amounts held for the purposes of service transformations projects
Budget Smoothing	To smooth out the impact of funding reductions and other budget pressures
Directorate Carry Forwards	To hold revenue grant income received for which there are no conditions but which are earmarked for specific projects/purposes.
Redundancy reserve	Amounts set aside for staffing costs coming out of reorganisations
Risk Reserve	Balances created following a review of balance sheet items to address legacy liabilities, accounting adjustments and risk provisions
General Fund other reserves	To assist with the future sustainability of the Council.
Schools reserves	To hold unused balances of budgets delegated to individual schools, which are not available to the Council for general use.
DSG Usable reserve	To hold the ring-fenced Dedicated Schools Grant balance

Note 18: Property, plant and equipment

Movements on balances

The tables on the following pages show a breakdown of the opening and closing values of PPE assets and summarise the transactions during the year, for each class of asset.

Values as at 31-March-2026

The tables on the following pages show a breakdown of the opening and closing values of PPE assets and summarise the transactions during the year, for each class of asset.

PPE Movements in 2025/26 All amounts £'000	Council Dwellings	Land & Buildings	Vehicles, Plant, Furniture & Equipment	Community Assets	Surplus Assets	Assets under Construction	Total Property, Plant and Equipment
Cost or valuation							
At 1 April 2025	622,085	280,233	80,131	9,899	22,238	1,676	1,016,262
Additions	17,541	459	2,875	296	256	4,157	25,585
Depreciation written out on revaluation	(9,648)	(3,044)	(1,568)	0	(95)	0	(14,355)
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	(2,399)	4,591	2,057		298		4,547
Revaluation increases/ (decreases) recognised in the Surplus/Deficit on the Provision of Services	(8,059)	(1,586)	(80)		(301)		(10,026)
Derecognition – disposals	(9,513)	(1,903)		(324)	(6,113)	(8)	(17,861)
Derecognition – other			(13,166)				(13,166)
Assets reclassified (to)/from Other Non-Current Assets	1,049	1,264	(1,264)				1,049
Other movements / Adjustments in cost or valuation	387	1,150			1,949		3,486
At 31 March 2026	**611,443**	**281,164**	**68,985**	**9,871**	**18,232**	**5,825**	**995,520**
Accumulated Depreciation and Impairment							
At 1 April 2025	0	(279)	(27,533)	(76)	(195)	(1)	(28,084)
Depreciation charge	(9,792)	(3,513)	(7,471)	(12)	(125)	0	(20,913)
Depreciation written out on revaluation	9,648	3,044	1,568	0	95	0	14,355
Impairment losses/reversals recognised in the Surplus/ Deficit on the Provision of Services							0
Derecognition – disposals	144	53		47	0	0	244
Derecognition – other			13,377				13,377
Other movements in cost or valuation Reclassification		(51)	51				0
At 31 March 2026	**0**	**(746)**	**(20,008)**	**(41)**	**(225)**	**(1)**	**(21,021)**
Net book value at 31 March 2025	**622,085**	**279,954**	**52,598**	**9,823**	**22,043**	**1,674**	**988,178**
Net book value at 31 March 2026	**611,443**	**280,418**	**48,977**	**9,830**	**18,007**	**5,824**	**974,499**

PPE Movements in 2024/25 All amounts £'000	Council Dwellings	Land & Buildings	Vehicles, Plant, Furniture & Equipment	Community Assets	Surplus Assets	Assets under Construction	Total Property, Plant and Equipment
Cost or valuation							
At 1 April 2024	614,414	303,704	78,863	9,953	46,462	1,296	1,049,301
Adjustment for ROU assets (IFRS16)**	0	4,230	828	0	0	0	**5,058**
Adjustment to opening balances	(6,241)	502	254				**(5,485)**
Restated opening balance at 1 April 2024	**608,173**	**308,436**	**79,945**	**9,953**	**46,462**	**1,296**	**1,048,874**
Adjustments to cost/value & depreciation/ impairment	(9,511)	(4,225)	(1,733)	0	(254)	0	**(15,723)**
Additions	14,602	1,342	1,882	0	(76)	780	**18,530**
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	10,439	(24,667)	1,160	0	2,783	0	**(10,275)**
Revaluation increases/ (decreases) recognised in the Surplus/Deficit on the Provision of Services	2,210	6,307	164	0	(496)	0	**8,099**
Derecognition – disposals	(3,828)	(4,388)	0	0	(2,561)	(226)	**(11,003)**
Reclassfied as Assets Held for Sale	0	(352)	0	0	(2,556)	0	**(2,908)**
Reclassified (to)/from Investment Property	0	0	0	0	(24,800)	0	**(24,800)**
Other transfers/movements	0	(2,220)	(1,287)	(54)	3,736	(174)	**0**
Balance at 31 March 2025	**622,085**	**280,233**	**80,131**	**9,899**	**22,238**	**1,676**	**1,010,794**
Accumulated Depreciation and Impairment							
Restated Opening Balance at 1 April 2024	**0**	**(554)**	**(25,500)**	**(64)**	**(201)**	**(2)**	**(20,840)**
Adjustments to cost/value & depreciation/ impairment	9,511	4,225	1,733	0	254	0	**15,723**
Depreciation	(9,571)	(3,811)	(4,058)	(12)	(105)	0	**(17,557)**
Derecognition – disposals	60	0	0	0	5	1	**66**
Reclassified as Assets Held for Sale	0	5	0	0	0	0	**5**
Other transfers/movements	0	(144)	292	0	(148)	0	**0**
Balance at 31 March 2025	**0**	**(279)**	**(27,533)**	**(76)**	**(195)**	**(1)**	**(22,603)**
Restated Net book value 1 April 2024	**608,173**	**307,882**	**54,445**	**9,889**	**46,261**	**1,293**	**1,027,943**
Net book value at 1 April 2025	**622,085**	**279,954**	**52,598**	**9,823**	**22,043**	**1,674**	**988,178**

Revaluations

The Council undertakes a rolling programme that ensures that all relevant property, plant and equipment required to be measured at current value is measured at least every five years. The valuations for 2025/26 have been undertaken by external valuers 'Wilkes Head and Eve'. In between the five year rolling programme and in line with the CIPFA guidelines, Land and Buildings and Surplus assets not valued are indexed based on the indices provided by our valuers and specialised assets with difficulty in getting the appropriate indices are subject to desk top valuation at the end of third year before they are properly revalued.

Valuations of land and buildings have been carried out in accordance with the methodologies and bases of estimation, as set out in the professional standards of the Royal Institute of Chartered Surveyors. Currently we do not re-value vehicles, plant, furniture or equipment assets as these tend to be of a finite (short term) life. Where there is a revaluation of Vehicles, Plant and Equipment this is because the asset is one of the components of a Land and Buildings asset.

Specialised properties are assumed to have no active market but the land element could potentially be sold at its market value. It is assumed the building costs would be in line with the published indices.

The following table shows the progress of the Council's rolling programme for the revaluation of council dwellings, land and buildings and surplus assets.

2024/25 £'000	Line description	2025/26 £'000
622,087	Council Dwellings	611,445
280,133	Land & Buildings	280,598
22,055	Surplus	18,018
924,275	**Balance at 31 March**	**910,061**

Note 18b: Infrastructure assets

Infrastructure assets are measured on a depreciated historical cost basis. However, the accounting rules that applied before 1 April 1994 mean that the carrying amount only reliably includes expenditure on acquisition and enhancement incurred after this date. Expenditure incurred before this date is only included to the extent that it had not been financed before the end of the 1993/94 financial year. An update to the Code and Specifications for Future Codes for Infrastructure Assets come into force in 25 December 2022, temporarily removing the need to disclose gross cost and accumulated depreciation of infrastructure assets until 31 March 2025.

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. All replaced infrastructure components are determined to have fully depreciated and have a net amount of nil. This is particularly true for Slough as it inherited infrastructure assets when it became a unitary authority in 1998.

The Council 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

2024/25 £'000	Infrastructure assets	2025/26 £'000
66,250	Balance at 1 April	61,972
2,383	Additions	1,818
(6,661)	Depreciation	(7,020)
61,972	**Balance at 31 March**	**56,770**

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 where there is replacement expenditure is nil.

Note 18c: Assets held for sale

2024/25 £'000	Assets held for sale	2025/26 £'000
0	Balance at 1 April	7,002
2,948	Assets newly classified as held for sale	-
4,054	Assets brought into recognition / (declassified)	(1,045)
0	Assets sold	(5,957)
7,002	**Balance at 31 March**	**0**

Note 18d: Intangible assets

The authority accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of property, plant and equipment. The intangible assets include both purchased licenses and internally generally software. All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the authority. The useful lives assigned to the major software suites used by the authority is 5 years this is consistent with prior years as it charging no depreciation in the year of acquisition.

'The carrying amount of intangible assets is amortised on a straight-line basis. The amortisation of £191k charged to revenue in 2025/26 was charged to the appropriate service headings in the cost of services.

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

2024/25 £'000	Intangible assets	2025/26 £'000
	Balance at 1 April	
2,278	Gross carrying amounts	2,278
(1,799)	Accumulated amortisation	(2,022)
479	**Net carrying amount at start of year**	**254**
	Additions	
0	Purchases	0
0	Written off to revenue	0
0	Disposal-accumulated amortisation	0
(223)	Amortisation for the period	(191)
256	**Net carrying amount at end of year**	**63**
	Comprising	
2,278	Gross carrying amounts	2,286
(2,022)	Accumulated amortisation	(2,223)
256		**63**

Note 19: Capital commitments

At 31st March 2026, the Council has committed to projects for the construction or enhancement of Property, Plant and Equipment in 2026/27 and beyond. The budgeted cost of these commitments is expected to cost £40.748m (31st March 2025 £170.3m - last year was based on budgets rather than formal commitments).

The major commitments amounting to £0.5m or more at 31st March 2026 are:

Commitments for 2025/26	Commitments in 2026-27 £'000	Commitments in Future Years £'000	Total Commitments £'000
Children Services	433	-	433
Major Infrastructure Projects	6,095	10,697	16,792
HRA RMI Capital programme	13,900	9,623	23,523
Total	**20,428**	**20,320**	**40,748**

Commitments for 2024/25	Commitments in 2025-26 £'000	Commitments in Future Years £'000	Total Commitments £'000
Refuse Fleet & Grounds Plant Equipment	1,200	3,500	4,700
Disabilities Facilities	1,140	3,420	4,560
Children Services	6,576	5,996	12,572
Fire Risk Assessment	4,600	-	4,600
Office Accommodation Strategy	2,000	2,000	4,000
Major Infrastructure Projects	26,658	417	27,075
Flood Defence Measures	2,785	1,808	4,593
Electric Vehicle Network	1,117	1,117	2,234
HRA RMI Capital programme	17,143	75,370	92,513
Affordable Homes	7,550	5,250	12,800
Total	**71,469**	**98,878**	**170,347**

Note 20: Investment property

The following items of income and expense have been accounted for in the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement.

2024/25 Restated £'000	Investment properties	2025/26 £'000
(4,870)	Rental income from investment property	(5,093)
481	Direct operating expenses arising from investment property	456
(4,389)	**Net (gain)/loss**	**(4,637)**

There are no restrictions on the authority's ability to realise the value inherent in its investment property or on the authority's right to the remittance of income and the proceeds of disposal. The authority has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

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

2024/25 £'000	Movement in fair value of investment properties	2025/26 £'000
27,212	**Balance at 1 April**	**48,247**
0	Additions	9
25	Subsequent Expenditure	0
(3,770)	Disposals	(1,114)
24,759	Transfers (to)/from property, plant and equipment and AHS	0
21	Net gains/losses from fair value adjustments	873
48,247	**Balance at 31 March**	**48,016**

Note 21: Leases

Right of Use Assets

This table shows the change in value of right of use assets held under leases by the authority. This does not include the schools PFI, which is disclosed in note 22.

Right of use assets 2025/26	Land and Buildings £'000	Vehicles, Plant and Equipment £'000	Total £'000
Balance at 1 April 2025	**1,594**	**64**	**1,658**
Reclassifications	-	-	-
Depreciation	-	(24)	(24)
Additions	-	405	405
Revaluations	-	-	-
Disposals	-	-	-
Other movement	-	(11)	(11)
Balance at 31 March 2026	**1,594**	**435**	**2,028**

Right of use assets Restated 2024/25	Land and Buildings £'000	Vehicles, Plant and Equipment £'000	Total £'000
Balance at 1 April 2024	**-**	**88**	**88**
Reclassifications	-	-	-
Depreciation	-	(24)	(24)
Additions	-	-	-
Revaluations	1,594	-	1,594
Disposals	-	-	-
Balance at 31 March 2025	**1,594**	**64**	**1,658**

Land & Building has been updated to report the correct balance as at Mar-25

Transactions under Leases

The authority incurred the following expenses and cash flows in relation to leases

2024/25 £'000	Line description	2025/26 £'000
	Comprehensive income and expenditure statement	
147	Interest expense on lease liabilities	151
40	Expense relating to short-term leases	40
-	Expense relating to exempt leases of low-value items	-
-	Variable lease payments not included in the measurement of lease liabilities	-
(299)	Income from subletting right of use assets	(299)
-	Gains or losses arising from sale and leaseback transactions	-

2024/25 £'000	Line description	2025/26 £'000
	Cash flow statement	
521	Total cash outflow for leases	650

Expenses for short-term leases where period of arrangement is for less than one month are not disclosed.

Maturity analysis of lease liabilities

The lease liabilities are due to be settled over the following time banks (measured at discounted and undiscounted amounts of expected cash payments)

2024/25 Undiscounted £'000	2024/25 Discounted £'000	Line description	2025/26 Undiscounted £'000	2025/26 Discounted £'000
481	438	Less than one year	610	561
1,935	1,542	One to five years	2,258	1,824
1,002	663	More than five years	1,002	663
3,418	**2,643**	**Total undiscounted liabilities**	**3,871**	**3,048**

Operating Leases

Council as lessor

The future minimum lease payments receivable under non-cancellable leases in future years are:

2024/25 £'000	Line description	2025/26 £'000
5,549	- current (not later than one year)	5,085
16,002	- non-current (later than one year)	13,288
42,083	Finance costs payable in future years	39,487
63,634		**57,860**

Note 22: Private finance initiatives and service concessions

Service concession arrangement and Private Finance Initiative (PFI), are an outsourcing method between a public sector body (Slough Borough Council), and a private sector organisation to often design and build a facility which can then be used to deliver public services.

A PFI arrangement in essence transfers responsibility, but not accountability to the private sector organisation. For Slough all of the PFI contracts relate to buildings.

Each PFI scheme is unique and is designed and build to facilitate the specific needs of the council. A detailed contract is entered into which will set out the specification of the service to be provided, how long the agreement is for and will usually have very specific clauses in that specify exactly who received services provided and will furthermore give the Council the ability to restrict who the operator provides services to.

Under a PFI contract the operator is obliged to hand over the facility at the end of the contract in a specified condition at no additional cost to the Council.

Schools PFI Scheme

The final business case for the Council's PFI project was approved by Department for Education & Schools in August 2006. The PFI contract was signed on 3rd August 2006 for the provision and replacement of three schools, which was a long term commitment for the provision of accommodation and facilities management for a period of 28 years. 35% of the payment to the contractor over the life of the contract ("the unitary charge") is adjusted annually in line with the Retail Price Index. The monthly payment is subject to scrutiny and adjustment for the level and quality of service provided. During 2006/07, the Council entered into a Private Finance Initiative contract for the design, build and operation of three schools Penn Wood, Beechwood and Arbour Vale. The contract is for a period of 28 years.

- Penn Wood became operational on 26th February 2007
- Beechwood and Arbour Value schools both became operational from 3rd September 2007

Under International Financial Reporting Standards (IFRS) the PFI assets recognised as Property Plant and Equipment on the Balance Sheet and are subject to revaluation every five years (as part of the normal valuation cycle of non-current assets. The assets are subject to depreciation and impairment as normal assets.

The initial cost under the contract for the design and build element is recognised on the Balance Sheet. This is being written down over the life of the contract as payments are made under the contract. The Council is committed to make total payments of over £200m across the life of the contract. The monthly payments to the contractor are often referred to as a Unitary payment which incorporates the three distinctive elements of the scheme (Capital repayment, Interest and Service charge). The capital cost is set against the liability for the purchase cost, the interest element is charged against interest payable in the accounts, and the service elements is charged to 'Children's Services' expenditure in the Comprehensive Income and Expenditure account.

Beechwood / Arbour Vale

In 2016/17 Beechwood School transferred to an Academy and Arbour Vale transferred in 2018/19.

Under International Financial Reporting Standards (IFRS) the PFI assets are recognised as Property Plant and Equipment on the Balance Sheet and are subject to revaluation every five years (as part of the normal valuation cycle of non-current assets). The assets are subject to depreciation and impairment as normal assets.

However as these two schools have converted to Academies the Council lost control and is not entitled to recognise the Schools as assets on the Councils Balance Sheet, they have therefore been de-recognised as assets in the Council's accounts (removed from).

The full element of the liability to the operator is still shown in the books of the Council, as the Council is ultimately responsible for the payment.

Both schools are now making contributions to the Council to their elements of the Unitary Charge (net of all associated PFI credits the Council received).

Movement in PFI Assets

2024/25 £'000	Line description	2025/26 £'000
19,271	Opening balance	17,536
5,049	Adjustments to cost/value & depreciation/impairment, re: IFRS 16	-
20	Additions	7
(6,482)	Revaluation increases/(decreases) recognised in the revaluation reserve	408
(322)	Depreciation charge	(256)
-	Derecognition - disposals	-
17,536	**Total**	**17,695**

Movement on the value of the liabilities

The adoption of IFRS16 requires a remeasurement of the PFI liabilities, and undischarged obligations arising from PFI and service concession transactions as at 31 March 2026 which are as follows:

2024/25 £'000	Line description	2025/26 £'000
(28,512)	Balance at 1 April	(31,037)
(5,049)	Remeasured for IFRS16	(4,411)
2,524	Repayment during the year	2,262
-	Other movements	-
(31,037)	**Balance at 31 March**	**(33,186)**

Maturity analysis of liabilities

The Authority makes agreed payments each year to the operators, increased in line with inflation where stated in the contract and similarly reduced if performance falls below minimum standards in any year. Payments remaining to be made under the Service Concession contracts at 31 March 2026 are as follows:

2025/26	Service cost £'000	Lifecycle replacement cost £'000	Reimbursement of capital expenditure £'000	Interest £'000	Total £'000
within 1 year	2,407	346	2,453	2,791	7,997
between 2 - 5 years	9,628	1,384	12,055	8,921	31,989
between 5 - 10 years	10,637	1,529	18,679	4,495	35,341
	22,673	**3,260**	**33,186**	**16,208**	**75,327**

2024/25	Service cost £'000	Lifecycle replacement cost £'000	Reimbursement of capital expenditure £'000	Interest £'000	Total £'000
within 1 year	2,407	346	5,244	2,982	10,979
between 2 - 5 years	9,628	1,384	20,976	9,857	41,845
between 5 - 10 years	13,044	1,875	28,418	6,351	49,689
	25,080	**3,606**	**54,639**	**19,190**	**102,514**

Note 23: Capital expenditure and capital financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and PFI contracts), 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 authority, the expenditure results in an increase in the capital financing requirement (CFR), a measure of the capital expenditure incurred historically by the authority that has yet to be financed. The CFR is analysed in the second part of this note.

2024/25 £'000	Capital expenditure and capital financing	2025/26 £'000
751,757	**Opening balance**	**689,936**
5,058	IFRS16 leases adjustment £5.058m. For more information see Note 21, leases.	-
756,815	**Restated opening capital financing requirement**	**689,936**
	Capital investment	
20,913	Property, plant and equipment	27,403
25	Investment Properties	9
5,620	Revenue expenditure funded from capital under statute	14,888
2,758	Loans Advanced	827
23,078	Capital Direction	15,709
52,394	**Total capital investment**	**58,836**
	Sources of finance	
(1,345)	Capital Receipts	(5,531)
(75,589)	Use of Capital Receipts to Repay Capitalisation Direction	(8,700)
(11,426)	Government grants and other contributions	(16,549)
(13,944)	Major Repairs Reserve	(13,589)
	Sums set aside from revenue	
(170)	Direct Revenue Financing	-
(16,799)	Minimum Revenue Provision	(19,690)
(119,273)	**Total sources of finance**	**(64,059)**
689,936	**Closing capital financing requirement**	**684,713**
	Explanations of movements in year	
(16,799)	Minimum Revenue Provision	(19,690)
23,078	Capitalisation Direction (CD)	15,709
(75,589)	Use of Capital Receipts to Repay Capitalisation Direction	(8,700)
2,431	Other increase/(decrease) in underlying need to borrow	7,458
(66,879)	**(Decrease) in CFR for the year**	**(5,223)**

Note 24: Financial instruments

Analysed by category:

2024/25 Non-current Restated £'000	2024/25 Current Restated £'000	2024/25 Total Restated £'000	Line description	2024/25 Non-current £'000	2024/25 Current £'000	2025/26 Total £'000
			Financial Assets			
			Amortised cost			
	32	32	Investments		32	32
53,266	39,517	92,783	Trade Debtors	49,986	34,672	84,658
	17,318	17,318	Cash and cash equivalents		27,019	27,019
53,266	**56,867**	**114,525**		**49,986**	**61,723**	**111,709**
			Fair Value Through Profit and Loss			
4,392		4,392	Investments	3,247		3,247
57,658	**56,867**	**114,525**	**Total financial assets**	**53,233**	**61,723**	**114,956**
			Financial Liabilities			
			Amortised cost			
(362,070)	(99,863)	(461,933)	Loans outstanding	(425,338)	(44,491)	(469,829)
(178)	(71,779)	(71,957)	Trade creditors	(502)	(53,890)	(54,392)
(362,248)	**(171,642)**	**(533,890)**	**Total financial liabilities**	**(425,840)**	**(98,381)**	**(524,221)**

FY 2024-25 numbers have been restated for Debtors to exclude Statutory debtors and Creditors number restated to exclude PFI and lease liabilities as they are covered under the new standard IFRS16 , upon transition to the standard.

The non-current trade debtor above includes the following:

31-March-2025 £'000	Composition of long-term debtors	31-March-2026 £'000
47,339	Loan to James Elliman Homes Ltd	48,475
5,838	Loan to SUR and GRE5	1,424
89	Other long-term debtors classified as financial instruments	87
53,266	**Long-term debtors as per the balance sheet**	**49,986**

31-March-2025 £'000	Short-term investments	31-March-2026 £'000
32	Loans and receivables in 2025/26	32
32	**Short-term investments as per the balance sheet**	**32**

31-March-2025 £'000	Long-term investments	31-March-2026 £'000
4,392	Equity in James Elliman Homes Ltd	3,247
4,392	**Long-term investments balance per the Balance Sheet**	**3,247**

Income, Expense, Gains and Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments consist of the following:

2024/25 £000		2025/26 £000
	Interest revenue	
	Financial Assets classified as FVTPL	-
(3,051)	Financial Assets classified as amortised cost	(3,294)
21,664	**Interest expense**	20,730
18,613	**Net (Gain)/Loss for the year**	**17,435**

Loans made by the Authority

Material long term Loans include Loan to James Elliman Homes Ltd. The loan to James Elliman Homes Ltd to acquire and redevelop housing in the borough is deemed to be a material soft loan. Interest is charged at 3%.
Long term loan also includes Loan to GRE5 and Loan to SUR LLP.

2024-25 £'000	Line description	2025-26 £'000
46,228	**Opening balance**	**47,308**
-	Nominal value of new loans granted in the year	-
-	Fair value adjustment on initial recognition	-
(1,554)	Loans repaid	(1,551)
-	Impairment losses	-
2,632	Increase in discounted amount	2,696
-	Other changes	-
47,308	**Closing balance**	**48,453**
51,700	**Nominal value of loans**	**51,700**

Valuation assumptions

The interest rate at which the fair value of the soft loan has been made is arrived at by taking the PWLB rate prevailing at the date of each loan drawdown and adding an allowance for credit risk based on advice from the Council's treasury advisors.

Note 25: Nature and extent of risks arising from financial instruments

General procedures for managing risk

The Council's overall risk management procedures focus on the unpredictability of financial markets and seeks to minimise potential adverse risks on the resources available to fund services. Risk management is carried out by a central treasury team, under policies approved by the Council in the annual treasury management strategy and the annual investment strategy. The Council provides written principles for overall risk management, as well as policies covering specific areas, such as credit risk, liquidity risk, market risk and the investment of surplus cash (cost of carry).

Credit Risk

Credit risk is the possibility that other parties might fail to pay amounts due to the Council.

Credit risk arises from deposits placed with money market funds, banks, related-parties and other institutions, as well as credit exposures to Council customers. This risk is minimised through the annual investment strategy available on the Council website.

Key controls are:

a. Investments at year-end are only placed with money market funds, all funds having a AAA rating. During the year, the Council deposit with DMADF which present a direct claim on HM Government and doesn't have a conventional credit rating from agencies like Moody's.
b. placing a limit of £10m on the money market fund which can be invested with a single counter party; and
c. DMADF falls under UK Government which has a time limit of 50 years

The table below summarises the credit exposures of the Council's treasury investment portfolio by credit rating:

31-March-2025 Non-current £'000	31-March-2025 Current £'000	Line description	31-March-2026 Non-current £'000	31-March-2026 Current £'000
-	13,633	AAA MMF	-	19,270
-	-	AA-	-	-
53,266	39,517	Unrated debtors	49,986	34,672
53,266	**53,150**		**49,986**	**53,942**

Loss allowances on treasury investments have been calculated by reference to historic default data published by credit rating agencies. The estimated loss is negligible as the year-end deposits are with MMF and is treated as cash and cash equivalent.

Liquidity risk

Liquidity risk is the risk that the Council will have insufficient funds in its bank account to make the payments necessary to meet its financial obligations.

The Council operates a cashflow forecasting system which seeks to ensure that cash is available as needed. During the year the Council introduced £10m liquidity buffer which helps reduce liquidity risk by ensuring sufficient funds are available for short term obligations.

Refinancing risk

The Council faced re-financing risk due to the concentration of larger loan maturities during the year and exposure to lender option borrower option loans (LOBOs). LOBO loans carry the risk of lenders exercising options to revise terms, potentially triggering early repayment or higher interest costs. In addition, significant PWLB loans are scheduled to mature within the year, creating a need for substantial refinancing. This exposed the Council to adverse market conditions, interest rate volatility, and liquidity pressures. Proactive planning, included carefully timing borrowings around the maturity of existing loans to manage both interest costs and refinancing risks; avoiding borrowing in advance of need to minimise the cost of carry is essential to mitigate these risks. The LOBOs have remaining terms of up to 40 years and interest rates of 3.75% and 3.99%.

31-March-2025 £'000	Refinancing risk	31-March-2026 £'000
99,863	less than one year	44,491
26,628	between 1 and 2 years	53,711
72,545	between 3 and 5 years	85,632
97,351	between 6 and 10 years	131,329
129,629	between 11 and 20 years	124,583
6,917	between 21 and 30 years	6,083
29,000	more than 30 years	24,000
461,933	**Total**	**469,829**

Credit and counterparty risk

The Council has exposure to credit risk through loans provided to its subsidiary companies. This risk is managed through due diligence, formal loan agreements, ongoing monitoring, and security arrangements where appropriate.

Loans are assessed for impairment under IFRS 9, with an expected credit loss allowance of £0.7m recognised at 31 March 2026 (£0.1m 2024/25). The Council's exposure is mainly concentrated in the local property sector and is therefore sensitive to market conditions.

Market risk

Market risk is the possibility that financial loss might arise as a result of changes in interest rates.

The Council is exposed to interest movements on its borrowings and investments. Movements on interest rates have a complex effect on the Council depending on how variable and fixed interest rates move across differing financial instruments. For instance, a rise in 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.
Investments at fixed rates	The fair value of the assets will fall (no impact on revenue balances).

Investments in money market funds are carried at fair value.

As at 31st March 2026, 100% of the debt portfolio was held at fixed rate.

If interest rates had been 1% higher (with all other variables held constant), the financial effect would be:

31-March-2025 £'000		**31-March-2026 £'000**
-	Increase in interest payable on variable rate borrowings	-
256	Increase in interest receivable on variable rate MMFs investments	162
256	**Impact on surplus/deficit on the provision of services**	**162**

31-March-2025 £'000		**31-March-2026 £'000**
-	Decrease in fair value of fixed rate investment assets	-
(26,480)	**Decrease in fair value of fixed rate borrowings liabilities**	**(23,241)**

The approximate impact of a 1% fall in interest rates would have reverse movements. These assumptions are based on the same methodology as used in the Financial Instruments disclosure note.

Note 26: Fair value of assets and liabilities

The following tables combine information about:

a. classes of financial instruments and non-financial assets based on their nature and characteristics;
b. the carrying amounts of financial instruments and non-financial assets;
c. fair values of financial instruments and non-financial assets; and

d. fair value hierarchy levels of financial instruments and non-financial assets for which fair value is disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

Level 1 - measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - measurement is based on inputs other than quoted prices included in Level 3 that are observable for the asset lor liability, either directly or indirectly

Level 3 - measurement is based on unobservable inputs for the asset or liability.

The basis of valuation of each class of financial instrument and non-financial asset is set out below. There has been no change in the valuation techniques used during the year. All items have been valued using fair value techniques based on the characteristics of the financial instrument or non-financial asset, with the overall objective of maximising the use of market-based information.

Description of asset or liability	Valuation hierarchy	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Cash and cash equivalents, trade debtors, trade creditor and cash-based investments (long and short-term)	Level 1	Carrying value is deemed to be fair value, because of the short-term nature of the instruments	Not Required	Not required
Non-current debtors	Level 3	Discounted cashflows for the instrument using an equivalent market rate	Council accounting records	Not required
Loans outstanding	Level 2	The fair values have been estimated by discounting the remaining cashflows of the borrowing using the appropriate rate for local authority loans	Observable inputs are the PWLB rates. Unobservable inputs are the remaining cashflows.	Not required
Investment property	Level 3	Investment method of valuation.	Assumed void periods Estimated Rental Value (ERV) Capitalisation Rate (Equivalent Yield)	Not required
Surplus assets	Level 3	Market-based approach	Rental yields, recent sales prices, market conditions	Not required
Assets held for sale	Level 3	Lower of carrying value and fair value (market-based approach)	Rental yields, recent sales prices, market conditions	Not required

31 March 2026 All amounts £'000	Carrying value of Financial and non-financial assets, Fair value through profit and loss	Carrying value of Financial and non-financial assets, Assets at amortised cost	Carrying value, Financial liabilities at amortised cost	Carrying value Total	Fair value Level 1	Fair value Level 2	Fair value Level 3	Fair value Total
Financial assets								
Loans and receivables								
Investments	-	32	-	**32**	32			**32**
Debtors	-	109,712	-	**109,712**	57,924		51,788	**109,712**
Cash and cash equivalent	-	27,019	-	**27,019**	27,019			**27,019**
Fair value through profit and loss				**-**				
Investments	3,247		-	**3,247**	-	-	3,247	**3,247**
Total financial assets	**3,247**	**136,763**		**140,010**	**84,975**		**55,035**	**140,010**
Non-financial assets								
Investment property	48,071	-	-	**48,071**	-	-	48,071	**48,071**
Surplus assets	18,008	-	-	**18,008**	-	-	18,008	**18,008**
Assets held for sale	-	-	-	**-**			-	**-**
Total Financial and Non-financial assets	**69,326**	**136,763**		**206,089**	**84,975**	**-**	**121,114**	**206,089**
Financial liabilities								
Liabilities at amortised cost								
Loans outstanding	-	-	(469,829)	**(469,829)**	-	(418,325)	-	**(418,325)**
Trade creditors	-	-	(78,607)	**(78,607)**	(78,607)	-	-	**(78,607)**
Total Financial liabilities	**-**	**-**	**(548,436)**	**(548,436)**	**(78,607)**	**(418,325)**	**-**	**(496,932)**

31 March 2025 (Restated) All amounts £'000	Carrying value of Financial and non-financial assets, FVTPL	Carrying value of Financial and non-financial assets, Assets at amortised cost	Carrying value, Financial liabilities at amortised cost	Carrying value Total	Fair value Level 1	Fair value Level 2	Fair value Level 3	Fair value Total
Financial assets								
Loans and receivables								
Investments	-	32	-	**32**	32			**32**
Debtors	-	109,686	-	**109,686**	58,620		51,066	**109,686**
Cash and cash equivalent	-	17,318	-	**17,318**	17,318			**17,318**
Fair value through profit and loss				**-**				
Investments	4,392		-	**4,392**	-		4,392	**4,392**
Total financial assets	**4,392**	**127,036**	-	**131,428**	**75,970**		**55,458**	**114,525**
Non-financial assets								
Investment property	48,247	-	-	**48,247**			48,247	**48,247**
Surplus assets	22,043	-	-	**22,043**			22,043	**22,043**
Assets held for sale	6,999	-	-	**6,999**			6,999	**6,999**
Total Financial and Non-financial assets	**81,681**	**127,036**	-	**208,717**	**75,970**		**132,747**	**208,717**
Financial liabilities								
Liabilities at amortised cost								
Loans outstanding			(461,933)	**(461,933)**		(402,645)	-	(402,645)
Trade creditors			(72,430)	**(72,430)**	(72,430)		-	(72,430)
Total Financial liabilities			**(534,363)**	**(534,363)**	**(72,430)**	**(402,645)**	**-**	**(475,075)**

Carrying value and Fair value for Debtors and Creditors have been restated to exclude statutory transactions. Fair value level has been restated as the assessment is based on assumptions local to the Council.

Reconciliation of fair value remeasurements within level 3

To see a reconciliation of the fair value remeasurement of level 3 assets, see the following locations:

- Surplus assets: note 18
- Assets held for sale: note 18c
- Investment properties: note 20
- Long-term debtors, see table below.

Line description	Loan to JEH 2025-26 £'000	Loan to GRE5 2025-26 £'000	Loan to SUR 2025-26 £'000
Opening balance	49,563	5,165	898
Advances/(repayment) during the year	-	601	-
Other movement	722	-	-
Impairment	-	(4,546)	(617)
Closing balance	**50,285**	**1,220**	**281**

SUR Loan – Project has been completed, therefore carrying value has been considered as the Fair value of the remaining loan
GRE5 Loan - Fair value is considered same as carrying value as the Loan gets matured in One year and 5 months after year-end date

Note 27: Cash and cash equivalents

2024/25 £'000	Cash and cash equivalents	2025/26 £'000
3,685	Cash and bank balances	7,749
13,633	Money market funds	19,270
17,318	**Total**	**27,019**

Note 28 Debtors

These balances represent the amount of money owed to the Council at year end, net of impairment for bad debts.

2024/25 Restated £'000	Short-term debtors	2025/26 £'000
2,654	Prepayments	2,540
4,788	Central Government bodies	1,722
8,613	Trade debtors	14,220
7,571	VAT	3,471
9,776	Council Tax	13,094
1,756	NNDR receivable	6,687
2,550	Housing Benefit receivable	2,004
20,912	Other debtors	14,186
58,620	**Total**	**57,924**

Note: The 2024/25 figures have been restated to allocate the impairment provision against the relevant lines, rather than being consolidated on one line.

The long-term debtor balances are shown in the table below.

2024/25 £'000	Long-term debtors	2025/26 £'000
53,180	Loans to third parties	49,899
86	Other	87
53,266	**Total**	**49,986**

The total value of impairment for bad debt is £43.1m (£34.8m 2024/25), of which the largest components are £11.4m for council tax (£10.3m 2024/25), and £8.3m for housing benefit (£8.3m 2024/25).

The ageing of Slough's share of the council tax debt is disclosed in the table below, with impairment not included.

2024/25 £'000	Ageing of council tax debt	2025/26 £'000
5,379	Up to 1 year	5,583
4,450	1 to 3 years	4,826
10,250	Over 3 years	9,391
20,079	**Total**	**19,800**

Note 29: Creditors

These are amounts owed by the Council for work done, goods received, or services rendered which have not been paid the end of the year.

2024/25 £'000	Short-term creditors	2025/26 £'000
(10,016)	Trade creditors	(9,350)
(1,560)	PAYE & NI	(1,780)
(328)	Central government bodies	(6,127)
(54,666)	Other creditor	(54,817)
(2,759)	Lease liability	(398)
(916)	Receipts in advance	(3,181)
(1,534)	Payroll creditor	(1,224)
(71,779)	**Total**	**(76,877)**

Note 30: Provisions

The Council recognises provisions in accordance with IAS 37 when a past event creates a present obligation, settlement is probable, and the amount can be reliably estimated. Provisions are classified as short-term or long-term depending on expected settlement.

In addition, the Council applies IFRS 9 Expected Credit Loss (ECL) requirements to financial assets such as debtors. ECL loss allowances are not treated as IAS 37 provisions; instead, they are deducted from the relevant debtor balance.

Insurance 2024/25 £'000	NNDR 2024/25 £'000	Other 2024/25 £'000	Total 2024/25 £'000	Short-term provisions	Insurance 2025/26 £'000	NNDR 2025/26 £'000	Other 2025/26 £'000	Total 2025/26 £'000
(1,000)	(1,707)	(4,822)	(7,529)	Balance at 1 April 2025	(1,000)	(3,904)	(16,600)	(21,505)
-	-	-	-	Amounts used	-	3,904	3,994	7,898
-	-	-	-	Provisions released	-	-	8,290	8,290
-	(2,198)	(11,778)	(13,976)	Additional provisions	(111)	(8,328)	(3,771)	(12,210)
(1,000)	**(3,905)**	**(16,600)**	**(21,505)**	**Balance at 31 March**	**(1,111)**	**(8,328)**	**(8,087)**	**(17,527)**

Insurance 2024/25 £'000	NNDR 2024/25 £'000	Other 2024/25 £'000	Total 2024/25 £'000	Long-term provisions	Insurance 2025/26 £'000	NNDR 2025/26 £'000	Other 2025/26 £'000	Total 2025/26 £'000
(170)	(2,652)	-	(2,822)	Balance at 1 April 2025	(170)	-	-	(170)
-	2,652	-	2,652	Amounts used	111	-	-	111
-	-	-	-	Additional provisions	-	-	-	-
(170)	**-**	**-**	**(170)**	**Balance at 31 March**	**(59)**	**-**	**-**	**(59)**

*Opening balances for 2024/25 have been reclassified between short-term, long-term and the provision categories.

Insurance

The provision covers insurance claims which have been lodged and for which there is reasonable probability that the Council is liable and for which a reasonable estimate can be made of the amount required to settle. The Council reviews existing claims at year end, and adjusts the provision where appropriate. Periodically the Council commissions an actuarial review to ensure the provision level is appropriate.

NNDR (Business rate appeals)

The provision covers potential liabilities arising from appeals by business ratepayers against rateable valuations. The amounts set aside reflects the Council's share of the liability. This is calculated using a combination of submitted and expected check, challenge, appeal claims, using both local and national trend data. The provision has increased for 2025/26, due to a further year of back-dated business rates to potentially be refunded, as well as a significant number of new appeals being submitted linked to the conclusion of the 2023 business rates list, moving to the new 2026 business rate valuation list.

Other

This include a provision of £1.3m (£8.4m 2024/25) to cover the anticipated net cost of yet to be processed housing benefit claims.

It includes provision of £3.1m (£3m 2024/25) for the possible repayment of water rate to tenants following the case of Jones v London Borough of Southwark in the High Court in 2016The provision is a charge against the HRA as the water rates were originally collected with housing rents and reported in the HRA.

It also includes provision of £1.9m (nil 2024/25) linked to supported living claims, and £1.8m for other provisions (nil 2024/25).

Note 31: Other long-term liabilities

2024/25 Restated £'000	Other long-term liabilities	2025/26 £'000
(46,516)	Pension liability	(49,054)
(28,435)	Amounts due to be paid under PFI	(33,186)
(3,100)	Other Finance Leases liability and Rent deposits	(2,411)
(78,051)	**Total**	**(84,651)**

Note 32: Pension schemes accounted for as defined contribution schemes

Teachers employed by the Council are members of the Teachers' Pension Scheme administered by the Department for Education. 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 itself is a defined benefit scheme but however is unfunded. The Department for Education uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. The notional fund is valued every four years. However, this is a multi-employer scheme and the number of participating employers makes it impossible to identify the Council's share of the financial position and performance attributable to its own employees with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, they are therefore accounted for on the same basis as a defined contribution scheme.

In 2025/26, the Council paid £5.5m (£5.4m in 2024/25) to the Teachers Pensions Agency in respect of teachers' retirement benefits, representing 28.68% (28.68% in 2024/25) of Pensionable pay. The Council is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teacher's scheme. These costs are accounted for on a defined benefit basis.

Note 33: Defined benefit pension schemes

Participation in 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 fund the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement. The Council participates in two post-employment schemes:

- The Local Government Pension Scheme (LGPS), a national scheme but administered locally. For Slough Borough Council, this is the Royal County of Berkshire Pension Fund administered by the Royal Borough of Windsor and Maidenhead. This is a funded defined benefit 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.
- Arrangements for the award of discretionary post-retirement benefits upon early retirement. This is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. As there are no investment assets built up to meet these liabilities, at the point of early retirement a cash transfer is made from the General Fund to the Pension Fund to cover this shortfall. This transfer is real expenditure to the General Fund and is normally financed from a revenue reserve.

The principal risks to the authority 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 and Housing Revenue Account the amounts required by statute as described in the accounting policies note. We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions.

The Local Government Pension Scheme (LGPS) is a national scheme but administered locally. For the Council, this is the Royal County of Berkshire Pension Fund administered by the Royal Borough of Windsor and Maidenhead. The LGPS is a funded scheme which means that the Council and employees pay contributions into a fund calculated at a level intended to balance the pension liabilities with investment assets over time.

The LGPS provides a final salary-based pension based on service to 2014 and a career average revalued earnings based pension for service since 2014.

The Royal County of Berkshire Pension Fund is operated under the regulatory framework of the Public Service Pensions Act 2013 and the LGPS Regulations made thereunder. Governance of the scheme locally is the responsibility of the Pensions Committee of the Royal Borough of Windsor and Maidenhead. Investment policy is determined in accordance with the LGPS Regulations as is the administration and governance of the scheme. Investment management of the fund is outsourced wholly to Local Pensions Partnership Investments (LPPI) under the framework provided by the investment policy.

The LGPS is subject to a triennial actuarial valuation which determines the contribution rates for the next three years. The fund's actuary is Barnett Waddingham LLP.

The last valuation was in 2025, the next triennial valuation date is as at 31 March 2028. The results of the 2025 valuation informed the contribution rates for 2026/27 through to 2028/29. Contribution rates have dropped to 15.8%, although lump sum levels have increased.

For the period covered by the previous triennial valuation (2023/24 through to 2025/26) the Council is scheduled to pay contributions at 17.2% (17.2% in 2024/25) of pensionable pay plus a lump sum of £4.890m (£4.700m in 2024/25).

The principal risks to the Council from participation in the LGPS are:

- if future investment returns are lower than expected, the Fund's asset values will be lower and the funding level will worsen;
- if improvements in life expectancy are greater than expected, the cost of benefits will increase because members are living longer than expected;
- if members make decisions about their options which increase liabilities, the funding level may worsen. An example would be if fewer members commute their pensions into cash than expected then this will increase liabilities.

A significant risk to the Fund is that % of the Fund's assets are invested in global equity funds. This risk is mitigated through the use of forward foreign exchange derivatives.

Discretionary post-employment benefits

Both the LGPS and the teachers' pension scheme permit employers to make discretionary awards of post-employment benefits upon early retirement. These are unfunded benefit arrangements, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.

Transactions relating to post-employment benefits

The Council recognises the cost of post-employment benefits in the reported cost of services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge the Council is required to make against Council Tax is based on the contributions and benefits payable in the year, so the real cost of post-employment benefits is reversed out of the General Fund and Housing Revenue Account via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement, the General Fund balance and the HRA via the Movement in Reserves Statement in the year.

2024/25 Scheme Assets £'000	2024/25 Pensions Obligations £'000	2024/25 Net Pensions Liability £'000	Line description	2025/26 Scheme Assets £'000	2025/26 Pensions Obligations £'000	2025/26 Net Pensions Liability £'000
351,399	**(459,508)**	**(108,109)**	**Opening Balance at 1 April**	**362,671**	**(409,187)**	**(46,516)**
-	(8,155)	**(8,155)**	Current Service Cost	-	(6,590)	**(6,590)**
-	(458)	**(458)**	Past Service cost and gains/losses on curtailments	-	(240)	**(240)**
18,483	(22,554)	**(4,071)**	Interest Income and Expense	20,927	(22,288)	**(1,361)**
(327)	-	**(327)**	Admin Expense	(327)	-	**(327)**
3,406	(1,902)	**1,504**	- Settlement	178	(179)	**(1)**
21,562	**(33,069)**	**(11,507)**	**Total post-employment benefit charged to the (surplus)/deficit on provision of services**	**20,778**	**(29,297)**	**(8,519)**
			Contributions			
14,434		**14,434**	- The Council	15,097		**15,097**
3,138	(3,138)	**-**	- Employees	3,450	(3,450)	**-**
17,572	**(3,138)**	**14,434**	**Total Contributions**	**18,547**	**3,450**	**(15,097)**
			Payments			
(17,582)	17,852	-	- Retirement Grants and Pensions	(15,427)	15,427	-
(17,582)	**17,852**	**-**	**Employers contributions payable to scheme**	**(15,427)**	**15,427**	-
			Remeasurements			
(10,280)	-	**(10,280)**	- Return on Plan Assets	(12,410)	-	**(12,410)**
-	67,572	**67,572**	- Actuarial Gains and Losses from changes in Financial Assumptions	(304)	8,285	**7,981**
-	1,374	**1,374**	- Experience loss /(gain) on defined benefit obligation		(4,687)	**(4,687)**
(10,280)	**68,946**	**58,666**	**Post-Employment Benefits Charged to other Comprehensive Income and Expenditure Statement**	**(12,714)**	**3,598**	**(9,116)**
362,671	**(409,187)**	**(46,516)**	**Closing Balance at 31 March**	**373,855**	**(422,909)**	**(49,054)**

Composition of Scheme Assets

2024/25 Quoted	2024/25 Unquoted	2024/25 Total £'000	Line description	2025/26 Quoted	2025/26 Unquoted	2025/26 Total £'000
57%		205,696	Public Equities	53%		197,622
	11%	39,685	Private Equities		12%	43,182
	12%	42,378	Infrastructure		12%	43,529
4%	4%	30,386	Real Estate	4%	4%	30,498
14%	1%	52,981	Credit	14%	0%	62,220
2%		6,605	Cash	3%		10,682
	(4%)	(15,060)	Longevity Insurance		(4%)	(13,878)
77%	**23%**	**362,671**	**Total Assets**	**76%**	**24%**	**373,855**

Basis for estimating assets and liabilities

A change in any of the key assumptions can have a significant impact upon the size of the Council's pension liabilities, which would require the Council during its triennial review to adjust the amount it must pay the Berkshire Pension Fund. The biggest risks include an increase in member life expectancy, salary and pension accumulation rate or a decrease in the real discount rate, which would have an impact on the Council's liability to the Pension Fund.

Discounting of future payments gives the amount in today's money that is required to meet obligations – a higher discount rate means a lower current requirement to meet future payments. This is why the actuaries prudently use a discount rate based on highly rated corporate bond yields, as a small change in these would have a very large impact upon the size of the liability, which taxpayers are statutorily bound to pay.

The principal assumptions used by the actuary have been:

31-March-2025	Line description	31-March-2026
	Mortality assumptions:	
	Longevity at 65 for current pensioners (years):	
20.7	Male	22.0
23.6	Female	24.2
	Longevity at 65 for future pensioners (years):	
22.0	Male	23.5
25.0	Female	25.9
	Economic assumptions:	
5.8%	Rate of inflation	6.1%
2.9%	Rate of increase in salaries	2.9%
3.2%	Rate of increase in pensions	3.3%
3.9%	Rate for discounting scheme liabilities	3.9%

Sensitivity Analysis

Long-term provisions	Increase in Assumption £'000	Decrease in Assumption £'000
Discount Rate (increase or decrease by 0.1%)	6,487	6,930
Rate of increase in salaries (increase or decrease by 0.1%)	6,706	6,706
Rate of increase in pensions (increase or decrease by 0.1%)	6,948	6,471
Longevity (increase or decrease by 1 year)	6,944	6,473

The above sensitivity analysis identifies that a 0.1% increase in the Discount Rate assumption, will result in a decrease in the reported Pension liability of £6.4m. An increase in either the salaries, pension payment or longevity assumptions will result in an increase in the reported Pension Liability as detailed in the table above.

Impact on the Council's Cash flows

The Council contributes monthly into the Berkshire pension fund in line with the schedule of rates and contributions. Estimated contributions to the fund are regularly reviewed through Budget monitoring and updates to the Council's medium term financial strategy. Funding levels are monitored on an annual basis. The Employer currently participates in the Slough pool with other employers in order to share experience of risks they are exposed to in the Fund.

Based on assumptions as at 31 March 2026, expected employer contributions for LGPS benefits in 2025/26 are £14.8m, with the projected expense being £13.2m. These figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2025.

The assumed life expectancy of scheme members for the defined benefit obligation is between 22.0 and 25.9 years (20.7 and 25 years for 2024/25).

Note 34: Cash flow statement - operating activities

2024/25 £'000	Cash flow statement - operating activities	2025/26 £'000
26,653	Net (surplus) or deficit on the provision of services	23,236
	Adjustments for non-cash movements:	
(24,443)	Depreciation	(27,932)
8,174	Impairments and downward revaluation	(14,377)
(2,936)	Amortisation	(190)
3,975	Net increase/decrease in creditors, debtors and inventories	5,875
2,927	Pensions liability	6,578
(14,736)	Carrying amount of non-current assets sold	(24,476)
(11,304)	Other non-cash items*	1,469
(4,340)	**Subtotal**	**(53,054)**
	Adjustments for items that are investing or financing activities:	
(400)	Proceeds from short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries)	-
19,174	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	34,206
14,174	Any other items for which the cash effects are investing or financing cash flows	15,949
32,948	**Subtotal**	**50,155**
21,259	**Net cash flows from operating activities**	**20,337**

*The Other non-cash items include Provisions movement of £4.0m offset by Collection fund adjustment of £2.6m (Prior year £11m for provisions movement).

The cash flows for operating activities include the following items:

2024/25 £'000		2025/26 £'000
3,051	Interest received	3,294
(22,177)	Interest paid	(24,185)
(19,126)	**Total**	**(20,890)**

Note 35: Cash flow statement - investing activities

2024/25 £'000	Cash flow statement - investing activities	2025/26 £'000
(20,246)	Purchase of property, plant and equipment, investment property and intangible assets	(20,077)
-	Purchase of short-term and long-term investments	-
(2,739)	Other payments for investing activities	-
19,174	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	34,206
14,174	Other receipts from investing activities	7,471
10,362	**Net cash flows from investing activities**	**21,599**

Note 36: Cash flow statement - financing activities

2024/25 £'000	Cash flow statement - investing activities	2025/26 £'000
2,501	Cash receipts of short- and long-term borrowing	110,000
(2,857)	Cash payments for the reduction of outstanding liabilities relating to finance leases and on-Balance-Sheet PFI contracts	(2,912)
-	Repayments of short- and long-term borrowing	(98,648)
356	**Net cash flows from investing activities**	**8,438**

Note 37: Related party transactions

The Council is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council.

Central government

Central 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 and prescribes the terms of many of the transactions that the Council has with other parties (e.g. Council tax bills, housing benefits).

Members

Members of the Council have direct control over the Council's financial and operating policies. The total of Members Allowances is reported at Note 11.

A payment to the Berkshire Pension Fund is paid in respect of pensions as outlined in note 33; the Council appoints a Councillor as a representative on the Berkshire Pension Fund Advisory Panel.

The entities controlled or significantly influenced by the Council, together the company directors who are also officers or elected members of SBC or SCF are listed in the table below.

2025/26 Entity name	Structure	Company directors who are also officers or elected members of SBC or SCF	Share holding £'000	Loan £'000	Expenditure £'000	Income £'000	Balance outstanding to SBC £'000	Balance outstanding from SBC £'000
James Elliman Homes (JEH) (Company number 10603870)	Wholly owned subsidiary	Neil Euesden	-	51,700	-	(1,551)	55,733	(305)
Slough Urban Renewal LLP (Company number OC379405)	Joint Venture	Designated members: Slough Borough Council Community Solutions for Regeneration (Slough) Limited	-	281	-	-	281	-
Ground Rent Estates 5 Ltd (Company number 05997934)	Wholly owned subsidiary	Martin Johnson (resigned on 2 March 2026) Neil Simon (resigned on 2 March 2026) David Johnson (appointed on 2 March 2026) John Reed (appointed on 2 March 2026)	455	1,143	-	-	1,143	-
Slough Children First Ltd (Company number 09487106)	Company limited by guarantee Slough Borough Council has significant control	Anna Jones Steven Mason Andrew Nankivell Simon Baker (Resigned on 31 March 2026) Raj Bhamber (Resigned on 31 March 2026) Sue Butcher (Resigned on 6 February 2026) Alexandra Pilgerstorfer (Resigned on 31 March 2026)	-	-	40,182	(2,551)	573	(985)
Development Initiative for Slough Housing (Company number 02214463)	Company limited by guarantee Slough Borough Council has significant control	Neil Euesden	-	-	-	-	-	(2,660)

2024/25 Entity name	Structure	Company directors who are also officers or elected members of SBC or SCF	Shareholding £'000	Loan £'000	Expenditure £'000	Income £'000	Balance outstanding to SBC £'000	Balance outstanding from SBC £'000
James Elliman Homes (JEH) (Company number 10603870)	Wholly owned subsidiary	Neil Euesden	-	51,700	-	(1,552)	57,442	(2,938)
Slough Urban Renewal LLP (Company number OC379405)	Joint Venture	Designated members: Slough Borough Council Community Solutions for Regeneration (Slough) Limited	-	898	-	-	898	-
Ground Rent Estates 5 Ltd (Company number 05997934)	Wholly owned subsidiary	Martin Johnson (resigned on 2 March 2026) Neil Simon (resigned on 2 March 2026)	455	5,165	-	(225)	227	-
Slough Children First Ltd (Company number 09487106)	Company limited by guarantee Slough Borough Council has significant control	Anna Jones Steven Mason Andrew Nankivell Simon Baker (Resigned on 31 March 2026) Raj Bhamber (Resigned on 31 March 2026) Sue Butcher (Resigned on 6 February 2026) Alexandra Pilgerstorfer (Resigned on 31 March 2026)	-	-	36,303	(83)	1,808	(1,070)
Development Initiative for Slough Housing (Company number 02214463)	Company limited by guarantee Slough Borough Council has significant control	Neil Euesden	-	-	-	-	-	(2,040)

Note 38: Contingent liabilities

The Council is subject to a number of legal claims which may result in a liability being owed. None of these are currently expected to be material.

Note 39: Contingent assets

The Council considers that it has a material contingent asset of £13.3m relating to the High Needs Stability grant from the Department for Education. No similar contingent asset existed for 2024/25. This is on the basis that it meets the definition of a possible asset (cash received) that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the authority.

On 9th February 2026, Government confirmed that the Safety Valve arrangements for DSG deficits would come to an end. The DfE simultaneously announced a new DSG High Needs Stability Grant (HNSG) which would provide funding for 90% of DSG deficits accrued by the end of 2025/26, less any previous Safety Valve Payments. The HNSG will be paid in Autumn 2026 subject to the Council submitting, and securing the DfE's approval of, a Local SEND Reform Plan. The Local SEND reform plan was submitted in June 2026 and the Council expects there to be an iterative process until DfE approval is secured. The Council considers that it is highly likely the HNSG will be received. The HNSG expected is £13.3m, as set out in the table below:

Line description	£'000
DSG deficit at the end of 2025/26	17,083
Add Safety Valve received since 2022	20,520
Gross DSG overspend on which HNSG is to be calculated	**37,603**
90% gross to be written off	33,843
Less Safety Valve received since 2022	(20,520)
Estimated High Needs Stability Grant	**13,323**

Note 40: Events after the balance sheet date

The statement of accounts was authorized for issue by the Chief Operating Officer and S151 Officer on 30 June 2026. Events taking place after this date are not reflected in the financial statements or notes.

There have been no adjusting events after the balance sheet date that have required a charge to the balance sheet figures as at 31 March 2026.

Section E. Supplementary financial statements and their notes

Part.1 Housing revenue account (HRA) income and expenditure statement

2024/25 £'000	Line description	2025/26 £'000
	Expenditure	
13,996	Repairs and maintenance	13,617
12,878	Supervision and management	14,555
315	Rents, rates, taxes and other charges	269
9,022	Depreciation, impairment and revaluation losses of non-current assets	18,028
21	Increase/(decrease) in provision for bad and doubtful debts	586
36,232	**Total expenditure**	**47,055**
	Income	
(39,950)	Dwelling rents	(40,961)
(1,517)	Non-dwelling rents	(866)
(3,220)	Charges for services and facilities	(3,247)
(44,687)	**Total income**	**(45,075)**
(8,455)	**Net income from HRA services as included in the Comprehensive Income and Expenditure Statement**	**1,981**
234	HRA share of corporate and democratic core costs	227
(8,221)	**Net income for HRA services**	**2,207**
	HRA share of other income and expenditure included in the Comprehensive Income and Expenditure Statement:	
(7,098)	(Gain) / loss on sale of HRA non-current assets	(23,268)
-	Capital grants and contributions	(1,953)
5,298	Interest payable and similar charges	4,590
(40)	HRA interest and investment income	(2,172)
1,167	Net interest on the net defined benefit liability	122
(8,894)	**Surplus or (deficit) for the year on HRA services**	**(20,474)**

Part.2 Housing revenue account (HRA) statement of movement

2024/25 Restated £'000	Line description	2025/26 £'000
(22,667)	**HRA Balance at 1 April**	**(18,596)**
5,873	Adjustment to opening balance (see note 1)	-
(16,794)	**Restated Balance on the HRA as at 1 April**	**(18,596)**
(8,895)	(Surplus) or deficit for the year on the HRA Income and Expenditure Statement	(20,474)
	Adjustments between accounting basis and funding basis under statute	
(8,922)	Depreciation and Impairments	(9,987)
-	Revaluation gains (where losses previously charged to surplus/deficit)	(8,041)
-	Movement in market value of investment property	873
(705)	Net Charges (Pension Costs) made for Retirement Benefits in Accordance with FRS17	574
7,050	(Gains)/losses on sale of HRA non-current asset	22,450
-	Capital Grants and Contributions received in year	1,688
9,848	Transfers to/(from) the Major Repairs Reserves	9,987
(178)	Other movements	-
(1,802)	**Net increase or (decrease) before transfers to or from reserves**	**(2,931)**
	Balance on the HRA at the end of the previous reporting period	
	Transfers to/(from) earmarked reserves	
(1,802)	**(Increase) or decrease in year on the HRA Balance**	**(2,931)**
(18,596)	**Balance on the HRA at the end of the reporting period**	**(21,527)**

Part.3 Notes to the Housing revenue account (HRA)

HRA Note 1: Prior period adjustment

None

HRA Note 2: Housing stock

2024/25 Restated	Type of accommodation	2025/26
2,826	Houses	2,771
2,680	Flats	2,664
519	Bungalows	518
6,025	**Stock at 31 March**	**5,953**

The change in stock can be summarised as follows:

2024/25 Restated	Type of accommodation	2025/26
6,060	Stock at 1 April	6,025
(37)	Sold	(82)
2	New Build/Acquisitions	10
-	Demolished	-
6,025	**Stock at 31 March**	**5,953**

2024/25 £'000	Balance Sheet Valuation of HRA Assets	2025/26 £'000
	Operational assets	
622,087	Council dwellings	611,443
9,139	Other land and buildings	6,496
414	Community assets	412
804	Assets under construction	3,423
632,444	**Total operational assets**	**621,774**
	Non-operational assets	
474	Investment property	474
11,855	Surplus assets	3,449
12,329	**Total non-operational assets**	**3,923**
644,773	**Total asset value**	**625,697**

HRA Note 3: Vacant possession value

Dwellings are initially valued at open market value assuming vacant possession. The vacant possession value of the HRA tenanted dwellings was £1,853m (£1,843m at 31 March 2025). This is the existing use value (EUV). The difference between the vacant possession value the Balance Sheet value of the dwellings within the HRA reflects that tenancies are held on a secure basis without vacant possession.

The Balance Sheet value of the dwellings is determined by applying the Government prescribed discount factor (the vacant possession discount factor) to the vacant possession value of the stock. The discount factor is 33%. The resultant valuation is the Existing Use Value - Social Housing (EUV-SH).

The difference of £1,241m between the EUV of £1,853m and the EUV-SH of £611m represents the economic cost of providing housing at less than open market.

HRA Note 4: Capital expenditure and financing

2024/25 Restated £'000	Capital expenditure and financing	2025/26 £'000
162,928	**Opening capital financing requirement**	**162,928**
-	Prior years Adjustments	-
162,928	**Restated opening capital financing requirement**	**162,928**
	Capital investment	
14,601	Operational assets	17,541

84	Non-operational assets	2,880
0	Appropriation of Assets from General Fund	1,650
14,685	**Total capital investment**	**22,071**
	Sources of funding	
(741)	Capital receipts	(5,531)
(13,944)	Major repairs reserve *	(13,589)
-	Government grants and contributions	(1,301)
-	Borrowing	-
-	Direct revenue financing	-
(14,685)	**Total sources of finance**	**(20,421)**
162,928	**Closing capital financing requirement**	**164,578**

HRA Note 5: Capital receipts

Capital receipts from disposals of land, houses and other property within the HRA were as follows:

2024/25 £'000	Capital receipts	2025/26 £'000
(2,571)	Land	(522)
(4,743)	Council dwellings	(18,895)
(58)	Other property	(6,508)
(7,372)	**Total**	**(25,924)**

HRA Note 6: Depreciation and impairment

2024/25 Depreciation £'000	2024/25 Impairment / reversals £'000	2024/25 Total	Depreciation and impairment	2025/26 Depreciation £'000	2025/26 Impairment / reversals £'000	2025/26 Total
9,571	(2,210)	7,361	Council dwellings	9,792	-	9,792
125	-	125	Other land and buildings	46	-	46
1	-	1	Community assets	1	-	1
-	1,285	1,285	Surplus assets	2	-	2
150	-	150	Intangibles	145	-	145
9,847	**(925)**	**8,922**		**9,986**	**-**	**9,986**

HRA Note 7: Rent Arrears

2024/25 £'000	Rent Arrears	2025/26 £'000
1,935	Current tenant arrears	2,660
741	Former tenant arrears	804
2,676	**Rent arrears**	**3,464**
(1,708)	Less: Bad debts provisions	(2,139)
968	**Net rent arrears**	**1,325**

Part.4 Collection fund statement

The Collection Fund shows the transactions of the Council in its capacity as the billing authority in relation to the collection from taxpayers and the distribution to local authorities and the Government of council tax and non-domestic rates. There is no requirement for a separate Collection Fund balance sheet since the assets and liabilities arising from collecting non-domestic rates and council tax belong to the major preceptors, the billing authority and the Government.

The Council's share of council tax and non-domestic rates income is included in the Comprehensive Income and Expenditure Statement (CIES) on an accruals basis in line with the Code. However, the amount to be recognised in the General Fund is determined by regulation. Therefore, there is an adjustment for the difference between the accrued income and the statutory credit made through the Movement in Reserves Statement and to the Collection Fund Adjustment Account.

2024/25 Business rates £'000	2024/25 Council tax £'000	2024/25 Total £'000	Collection fund statement	2025/26 Business rates £'000	2025/26 Council tax £'000	2025/26 Total £'000
	(96,270)	(96,270)	Council Tax receivable		(103,628)	(103,628)
(114,055)		(114,055)	Business Rates receivable (net of interest)	(146,753)		(146,753)
	(126)	(126)	Transfer for Transitional Relief, S13A Reliefs and discount for prompt payment	(11)	(131)	(142)
			Apportionment of prior year deficit			
(3,907)		(3,907)	Central Government			
(3,829)		(3,829)	Slough Borough Council			
(78)		(78)	Berkshire Fire Authority			
(121,868)	**(96,396)**	**(218,265)**	**Total income**	**(146,764)**	**(103,758)**	**(250,523)**
			Apportionment of prior year surplus/deficit			
			Central Government	2,050		
	1,173	1,173	Slough Borough Council	2,009	699	2,709
	55	55	Berkshire Fire Authority	41	31	72
	118	118	Thames Valley police		103	103
			Precepts			
58,511			Central Government	62,263		62,263
57,341	81,444	138,785	Slough Borough Council	61,018	86,755	147,772
1,170	3,607	4,777	Berkshire Fire Authority	1,245	3,882	5,127
	11,945	11,945	Thames Valley police		12,740	12,740
			Charges to Collection Fund			
(128)	2,083	1,955	Increase/(decrease) in allowance for impairment	324	1,477	1,801
(926)		(926)	Increase/(decrease) in allowance for appeals	9,029		9,029
676		676	Transitional Protection Payments Payable			
204		204	Charge to General Fund for allowable collection costs for non-domestic rates	195		195
116,849	**100,423**	**217,272**	**Total expenditure**	**138,175**	**105,687**	**243,862**
(5,019)	4,027	(992)	(Surplus)/deficit arising during the year	(8,590)	1,929	(6,661)
2,745	(1,090)	1,655	(Surplus)/deficit brought forward	(2,274)	2,937	663
(2,274)	**2,937**	**663**	**(Surplus)/deficit carried forward**	**(10,864)**	**4,866**	**(5,998)**

Part.5 Notes to the collection fund

Collection fund note 1: Council tax income

The Council's tax base, i.e. the number of chargeable dwellings in each valuation band (adjusted for dwellings where discounts apply), converted to an equivalent number of band D dwellings is calculated as follows.

Estimated number of dwellings after effect of discounts and council tax support 2024/25 £'000	Band D equivalent dwellings 2024/25 £'000	Council tax charge per band 2024/25, £'000	Band	Ratio	Estimated number of dwellings after effect of discounts and council tax support 2025/26 £'000	Band D equivalent dwellings 2025/26 £'000	Council tax charge per band 2025/26, £'000
1,417	945	1,221.13	A	6/9	1,340	894	1,282.06
7,567	5,886	1,424.65	B	7/9	8,015	6,234	1,495.74
19,555	17,383	1,628.17	C	8/9	20,607	18,317	1,709.41
12,520	12,520	1,831.69	D	9/9	12,036	12,036	1,923.09
4,261	5,207	2,238.73	E	11/9	4,380	5,354	2,350.44
1,599	2,309	2,645.77	F	13/9	1,634	2,360	2,777.80
326	544	3,052.82	G	15/9	341	568	3,205.15
7	13	3,663.38	H	18/9	7	13	3,846.18
47,252	**44,807**		**Subtotal**		**48,360**	**45,776**	
	(448)		Less adjustment*			(801)	
	44,358		**Council tax base**			**44,975**	

**Adjustment for the anticipated collection rate*

Collection fund note 2: Business rates income

Non-Domestic Rates are collected locally. The Government specifies an amount and subject to the effects of transitional arrangements, local businesses pay rates calculated by multiplying their rateable value by that amount. In 2025/26 the standard multiplier was 55.5p (2024/25: 54.6p). The small business rate multiplier was 49.9p for 2025/26 (2024/25: 49.9p). The Council is responsible for collecting rates due from the ratepayers in its area and distributing the amount collected between itself, central government and major preceptors in proportions specified by central government. This is shown in the Collection Fund Statement and analysed at Note 8. The total rateable value at 31 March 2026 was £298,212k (31 March 2025, £273,949k).

Collection fund note 3: Collection fund balance apportionment

2025/26 Organisation	Business rates £'000	Council tax £'000	Total £'000
Central government	(5,432)		(5,432)
Slough Borough Council	(5,323)	4,081	(1,242)
Berkshire Fire Authority	(109)	184	75
Thames Valley Police		601	601
Total	**(10,864)**	**4,866**	**5,998**

2024/25 Organisation	Business rates £'000	Council tax £'000	Total £'000
Central government	(1,137)		(1,137)
Slough Borough Council	(1,114)	2,464	1,350
Berkshire Fire Authority	(23)	111	88
Thames Valley Police		362	362
Total	**(2,274)**	**2,937**	**663**

Section F. Group accounts and explanatory notes

The Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (The Code) requires local authorities with interests in subsidiaries, associates and/or joint ventures to prepare group accounts in addition to their own single entity financial statements, unless their interest is not considered material.

The aim of the Group Accounts is to provide the reader with an overall view of the material economic activities of the Council. The Council has interests in a number of companies that are classified as a subsidiary or joint venture, all of which have been considered for consolidation. Two of these, Slough Children First and James Elliman Homes Limited are considered to be material to the financial statements.

Details of the companies considered for consolidation are shown below.

The Group Accounts contain the core statements similar in presentation to the Council's single entity accounts but consolidating the figures of the Council with Slough Children First and James Elliman Homes Limited. Copies of the individual audited accounts will become available from Companies House. The purpose of each of the core statements is explained in the relevant sections of the single entity accounts.

The following pages include:

- Group comprehensive income and expenditure statement;
- Group movement in reserves statement;
- Group balance sheet;
- Group cash flow statement; and
- Notes to the group accounts where there are significant differences between the Council's single entity accounts and the consolidated Group.

Part.1 Group comprehensive income and expenditure statement

Gross expenditure 2024/25 £'000	Gross income 2024/25 £'000	Net expenditure 2024/25 Restated £'000	Group Comprehensive income and expenditure statement	Gross expenditure 2025/26 £'000	Gross income 2025/26 £'000	Net expenditure 2025/26 £'000
3,182	(1,101)	2,081	Monitoring Officer	2,794	(585)	2,209
6,066	(1,081)	4,985	Chief Execs Office	7,493	(235)	7,258
89,439	(59,636)	29,803	Corporate Resources	90,940	(61,964)	28,976
81,800	(53,248)	28,552	Regeneration, Housing & Environment	93,786	(65,437)	28,349
69,749	(22,756)	46,993	Adults' services	76,178	(24,941)	51,237
173,933	(119,859)	54,074	Children's services	197,249	(130,123)	67,126
14,724	(13,102)	1,622	Public Health and Protection	16,169	(14,081)	2,088
37,119	(44,957)	(7,838)	Housing Revenue Account	47,281	(45,075)	2,206
476,012	**(315,740)**	**160,272**	**Cost of services**	**531,891**	**(342,442)**	**189,449**
		(4,219)	Other operating expenditure			(9,906)
		12,365	Financing and investment income and expenditure			12,939
		(140,020)	Taxation and non-specific grant income and expenditure			(166,003)
		28,398	**(Surplus)/deficit on provision of services**			**26,479**
		43	Tax			-
		28,441	**Group (Surplus)/deficit on provision of services**			**26,479**
		6,220	(Surplus) or deficit on revaluation of property, plant and equipment assets			**(3,885)**
		(64,450)	Remeasurement of the net defined benefit liability			**10,098**
		(58,230)	**Other Comprehensive income and expenditure**			**6,213**
		(29,786)	**Total Comprehensive income and expenditure**			**32,692**

Part.2 Group movement in reserves statement

Group MIRS 2025/26 £'000	General Fund Balance	Earmarked Reserves	Schools Reserves	General Fund Reserves Total	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Council Total Usable Reserves	Council Total Unusable Reserves	Total Council Reserves	Council's share of Reserves from Subsidiaries	Total Group Reserves
Balance at 1 Apr 2025	**(23,465)**	**(19,920)**	**(24,854)**	**(68,239)**	**(18,596)**	**(36,769)**	**(11,302)**	**(19,682)**	**(154,588)**	**(406,554)**	**(561,142)**	**(2,221)**	**(563,363)**
Movement in reserves in 2025/26													
(Surplus)/deficit on provision of services	9,092	-	-	**9,092**	(20,474)	-	-	-	**(11,383)**	-	**(11,383)**	37,862	**26,479**
Other Comprehensive income and expenditure	-	-	-	**-**	-	-	-	-	**-**	5,232	**5,232**	1,642	**6,874**
Total Comprehensive Income and Expenditure	**9,092**	**-**	**-**	**9,092**	**(20,474)**	**-**	**-**	**-**	**(11,383)**	**5,232**	**(6,151)**	**39,504**	**33,353**
Consolidation adjustments between Group and Council Accounts	34,610			34,610					**34,610**		**34,610**	**(34,610)**	**-**
Total Comprehensive Income and Expenditure	**43,702**	**-**	**-**	**43,702**	**(20,474)**	**-**	**-**	**-**	**23,227**	**5,232**	**28,459**	**4,894**	**33,353**
Adjustments between accounting basis and funding basis	(8,305)	-	-	**(8,305)**	17,543	(19,975)	3,602	600	**(6,535)**	6,535	**-**	**-**	**-**
Capitalisation Direction	(15,709)	-	-	**(15,709)**	-	-	-	-	**(15,709)**	15,709	**-**		**-**
Increase or (decrease) before transfers to earmarked reserves	**19,688**	**-**	**-**	**19,688**	**(2,931)**	**(19,975)**	**3,602**	**600**	**983**	**27,476**	**28,459**	**4,894**	**33,353**
Transfer to/(from) reserves	(7,536)	3,785	3,751	**-**	-	-	-	-	**-**	-	**-**		
Balance at 31 Mar 2026	**(11,313)**	**(16,135)**	**(21,103)**	**(48,551)**	**(21,527)**	**(56,745)**	**(7,699)**	**(19,082)**	**(153,604)**	**(379,079)**	**(532,683)**	**2,671**	**(530,012)**

Group MIRS 2024/25 £'000	**General Fund Balance**	**Earmarked Reserves**	**Schools Reserves**	**General Fund Reserves Total**	**Housing Revenue Account**	**Capital Receipts Reserve**	**Major Repairs Reserve**	**Capital Grants Unapplied**	**Council Usable Reserves**	**Council Unusable Reserves**	**Total Council Reserves**	**Council's share of Reserves from Subsidiaries**	**Total Group Reserves**
Balance at 1 Apr 2024	**(22,465)**	**(28,452)**	**(25,308)**	**(76,225)**	**(22,667)**	**(94,528)**	**(15,398)**	**(33,744)**	**(242,562)**	**(292,791)**	**(535,353)**	**1,777**	**(533,576)**
Restatement of opening balances		(5,873)		(5,873)	5,873								
Movement in reserves in 2024/25													
(Surplus)/deficit on provision of services	6,878			6,878	(8,945)				(2,067)		(2,067)	30,508	**28,441**
Other Comprehensive income and expenditure									-	(52,445)	(52,446)	(5,782)	(58,229)
Total Comprehensive Income and Expenditure	**6,878**			**6,878**	**(8,945)**				**(2,067)**	**(52,445)**	**(54,512)**	**24,726**	**(29,786)**
Consolidation adjustments between Group and Council Accounts	28,720								**28,720**		**28,720**	**(28,720)**	
Net increase/decrease	35,598			6,878	(8,945)				26,653	(52,445)	**(25,792)**	**(3,994)**	**(29,786)**
Adjustments between accounting basis and funding basis	1,338			1,338	7,143	57,759	4,096	14,063	84,397	84,399			
Capitalisation Direction	(23,078)			(23,078)	-	-	-	-	(23,078)	(23,078)			
Increase or (decrease) before transfers to earmarked reserves	**13,858**			**13,858**	**(1,802)**	**57,759**	**4,096**	**14,063**	**87,972**	**(113,764)**	**(25,792)**	**(3,998)**	**(29,786)**
Transfer to/(from) reserves	(14,856)	14,405	454										
Balance at 31 Mar 2025	**(23,465)**	**(19,920)**	**(24,854)**	**(68,239)**	**(18,596)**	**(36,769)**	**(11,302)**	**(19,682)**	**(154,588)**	**(406,554)**	**(561,142)**	**(2,221)**	**(563,363)**

Part.3 Group balance sheet

31st March 2025 £'000	Group balance sheet	31st March 2026 £'000
1,104,576	Property, plant and equipment	1,083,752
48,247	Investment properties	48,062
256	Intangible assets	64
-	Long term investments	3,457
5,958	Long term debtors	1,542
1,159,037	**Total long-term assets**	**1,136,877**
32	Short-term investments	32
6,999	Assets held for sale	-
-	Accrued income and prepayments	25
53,195	Short term debtors	54,596
25,740	Cash and cash equivalents	32,484
3,623	Defined benefit pension surplus	-
89,589	**Total current assets**	**87,137**
(99,863)	Short-term borrowing	(44,491)
(77,064)	Short-term creditors	(84,684)
(23,340)	Short-term provisions	(17,721)
	Income in advance	(32)
(10,342)	Grants received in Advance - revenue	(1,129)
(210,609)	**Total current liabilities**	**(148,057)**
(2,785)	Long-term creditors	(502)
(170)	Long-term provisions	(61)
(362,069)	Long-term borrowing	(425,338)
(75,341)	Other long-term Liabilities	(84,651)
(34,284)	Grants received in advance - capital	(34,345)
-	Deferred tax	(993)
563,363	**Total long-term liabilities**	**(545,890)**
	Net assets	**530,012**
(142,740)	Usable reserves	(137,688)
(420,623)	Unusable reserves	(392,324)
(563,363)	**Total reserves**	**(530,012)**

Part.4 Group cash flow statement

2024/25 £'000	Group cash flow statement	2025/26 £'000
(28,398)	Net (surplus) or deficit on the provision of services	(26,479)
38,250	Adjustments to net (surplus) or deficit on the provision of services for non-cash movements	54,346
(34,665)	Adjustments for items included in the net (surplus) or deficit on the provision of services that are investing and financing activities	(53,448)
(24,809)	**Net cash flows from operating activities**	**(25,581)**
12,283	Investing Activities	23,885
(357)	Financing Activities	8,439
(12,882)	**Net (increase) or decrease in cash and cash equivalents**	**6,743**
38,622	Cash and cash equivalents at the beginning of the reporting period	25,740
25,740	**Cash and cash equivalents at the end of the reporting period**	**32,484**

Part.5 Notes to the group financial statements

Group note 1: Basis of preparation

The Group accounts have been prepared in accordance with the requirements of Chapter 9 of CIPFA's 2025/26 Code of Practice, by:

- Identifying entities within the Group accounting boundary
- Consolidating controlled entities on a line-by-line basis in the Group financial statements, eliminating intra-group balances and transactions in full.
- Subsidiary entity GRE5 and Joint venture with SUR LLP has not been consolidated as the entities falls outside the scope of materiality threshold for consolidation.
- The group companies numbers are based on draft numbers as of now as the subsidiary accounts are under audit and we expect numbers to slightly change but not to have a material impact on the financial statements.

The following two subsidiary entities have been included for consolidation in the Group financial statements:

Company	Classification	Consolidation method
Slough Children First Limited	Subsidiary	Line by line
James Elliman Homes Limited	Subsidiary	Line by line

Group note 2: Plant, property and equipment

PPE Movements in 2025/26 All amounts £'000	Council Dwellings	Land & Buildings	Vehicles, Plant, Furniture & Equipment	Community Assets	Surplus Assets	Assets under Construction	Total Property, Plant and Equipment
Cost or valuation							
At 1 April 2025	622,087	340,975	80,144	9,903	22,055	1,681	1,076,845
Additions	17,541	459	2,875	296	256	4,157	25,585
Depreciation written out on revaluation	(9,648)	(3,044)	(1,568)	0	(95)	0	(14,355)
Revaluation increases/ (decreases) recognised in the revaluation reserve	(2,399)	3,930	2,057		298		3,886
Revaluation increases/ (decreases) recognised in the surplus/deficit on the provision of services	(8,059)	(1,586)	(80)		(301)		(10,026)
Derecognition – disposals	(9,513)	(1,903)		(324)	(6,113)	(8)	(17,861)
Derecognition – other			(13,166)				(13,166)
Assets reclassified (to)/from other non-current assets	1,049	1,264	(1,264)				1,049
Other movements/adjustments in cost or valuation	387	1,150			1,949		3,486
At 31 March 2026	**611,445**	**341,245**	**68,998**	**9,875**	**18,048**	**5,830**	**1,055,442**
Accumulated Depreciation and Impairment							
At 1 April 2025	0	(6,417)	(27,534)	(78)	0	(1)	(27,888)
Depreciation charge	(9,792)	(4,842)	(7,471)	(12)	(125)	0	(22,242)
Depreciation written out on revaluation	9,648	3,044	1,568	0	95	0	14,355
Derecognition – disposals	144	53	13,377	47	0	0	13,621
Other movements in cost or valuation reclassification		(243)	51				0
At 31 March 2026	**0**	**(8,405)**	**(20,009)**	**(43)**	**(30)**	**(1)**	**(28,296)**
Net book value at 31 March 2025	**622,087**	**333,032**	**52,610**	**9,825**	**22,055**	**1,680**	**1,042,815**
Net book value at 31 March 2026	**611,445**	**280,598**	**48,989**	**9,832**	**18,018**	**5,829**	**1,027,146**

The above balance do not include Infrastructure assets balance which is shown as a separate note in the single entity set of accounts above, of £56.789m

PPE Movements in 2024/25 All amounts £'000	Council Dwellings	Land & Buildings	Vehicles, Plant, Furniture & Equipment	Community Assets	Surplus Assets	Assets under Construction	Total Property, Plant and Equipment
Cost or valuation							
At 1 April 2024	608,176	363,626	79,130	9,953	46,462	1,296	1,108,643
Adjustment for ROU assets (IFRS16)**	0	4,230	828	0	0	0	**5,058**
Adjustment to opening balances	(6,241)	502	254				**(5,485)**
Restated opening balance at 1 April 2024	**601,935**	**368,358**	**80,212**	**9,953**	**46,462**	**1,296**	**1,108,216**
Adjustments to cost/value & depreciation/ impairment	(9,511)	(4,225)	(1,733)	0	(254)	0	**(15,723)**
Additions	14,602	1,342	1,882	0	(76)	780	**18,530**
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	10,439	(23,452)	1,160	0	2,783	0	**(9,070)**
Revaluation increases/ (decreases) recognised in the Surplus/Deficit on the Provision of Services	2,210	6,307	164	0	(496)	0	**8,185**
Derecognition – disposals	(3,828)	(4,388)	0	0	(2,561)	(226)	**(11,003)**
Reclassfied as Assets Held for Sale	0	(352)	0	0	(2,556)	0	**(2,908)**
Reclassified (to)/from Investment Property					(24,800)		**(24,800)**
Other transfers/movements	0	(2,220)	(1,287)	(54)	3,736	(174)	**0**
Balance at 31 March 2025	**615,847**	**341,370**	**80,398**	**9,899**	**22,238**	**1,676**	**1,071,428**
Accumulated Depreciation and Impairment							
Restated Opening Balance at 1 April 2024	**6,241**	**(5,974)**	**(25,754)**	**(66)**	**(203)**	**(2)**	**(25,758)**
Adjustments to cost/value & depreciation/ impairment	9,511	4,225	1,733	0	254	0	**15,723**
Depreciation	(9,571)	(5,113)	(4,058)	(12)	(105)	0	**(18,859)**
Derecognition – disposals	60	0	0	0	5	1	**66**
Reclassified as Assets Held for Sale	0	5	0	0	0	0	**5**
Other transfers/movements	0	(160)	292	0	(148)	0	**0**
Balance at 31 March 2025	**6,241**	**(7,017)**	**(27,787)**	**(78)**	**(197)**	**(1)**	**(28,839)**
Net book value 1 April 2024	**608,176**	**358,154**	**53,630**	**9,887**	**46,259**	**1,294**	**1,028,034**
Net book value at 1 April 2025	**622,087**	**333,032**	**52,610**	**9,825**	**22,055**	**1,680**	**1,042,815**

Group note 3: Cash flow statement – operating activities

2024/25 £'000	Group cash flow - operating activities	2025/26 £'000
(28,398)	Net (surplus) or deficit on the provision of services	**(26,479)**
	Adjustments for non-cash movements:	
17,571	Depreciation, impairment and downward revaluation	43,638
2,936	Amortisation	190
(185)	Net increase/decrease in creditors, debtors and inventories	(5,799)
(5,029)	Increase or decrease in deferred income	(266)
(2,927)	Pensions liability	(6,578)
-	Finance cost	1,007
14,736	Carrying amount of non-current assets sold	24,476
11,148	Other non-cash items*	(2,322)
38,250	**Subtotal**	**54,346**
	Adjustments for items that are investing or financing activities:	
400	Proceeds from short-term (not considered to be cash equivalents) and long-term investments (includes investments in associates, joint ventures and subsidiaries)	-
(19,174)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(34,206)
(15,891)	Any other items for which the cash effects are investing or financing cash flows	(19,242)
(34,665)	**Subtotal**	**(53,448)**
(24,809)	**Net cash flows from operating activities**	**(25,581)**

*The other non-cash items include Provisions movement of £4.0m offset by Collection fund adjustment of (£2.6m) (2024/25: (£11m) for provisions movement).

The cash flows for operating activities include the following items:

2024/25 £'000	Group cash flow– operating activities - interest	2025/26 £'000
1,385	Interest received	3,944
(20,625)	Interest paid	(25,857)
(19,240)	**Total**	**(21,913)**

Group note 4: Group cash flow statement – investing activities

2024/25 £'000	Group cash flow – investing activities	2025/26 £'000
(20,246)	Purchase of property, plant and equipment, investment property and intangible assets	(20,077)
-	Purchase of short-term and long-term investments	-
(2,739)	Other payments for investing activities	
19,174	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	34,206
16,094	Other receipts from investing activities	9,757
12,283	**Net cash flows from investing activities**	**23,885**

Group note 5: Group cash flow statement – financing activities

2024/25 £'000	Group cash flow – financing activities	2025/26 £'000
2,501	Cash receipts of short- and long-term borrowing	110,000
(2,858)	Cash payments for the reduction of outstanding liabilities relating to finance leases and on-Balance-Sheet PFI contracts	(2,912)
	Repayments of short- and long-term borrowing	(98,648)
(357)	**Net cash flows from investing activities**	**8,439**

Group note 6: Long-term debtors

2024/25 £'000	Group long-term debtors	2025/26 £'000
57,658	Loans to third parties	53,242
(51,700)	Less: Loans to subsidiary JEH Ltd	(51,700)
5,958	**Total**	**1,542**

Group note 7: Short-term creditors

2024/25 £'000	Group short-term creditors	2025/26 £'000
(10,016)	Trade creditors	(9,350)
(1,560)	PAYE & NI	(1,780)
(328)	Central government bodies	(6,127)
(59,951)	Other creditor	(62,624)
(2,759)	Lease liability	(398)
(916)	Receipts in advance	(3,181)
(1,534)	Payroll creditor	(1,224)
(77,064)	**Total**	**(84,684)**

Section G. Glossary of financial terms

Part.1 Glossary

ACCOUNTING POLICIES

The rules and practices adopted by the Council that determine how transactions and events are reflected in the accounts.

ACCRUALS

The concept that income and expenditure are recognised as earned or incurred, not as money that is received or paid.

ACTUARIAL GAINS AND LOSSES

These arise where actual events have not coincided with the actuarial assumptions made for the last valuations (known as experience gains and losses) or the actuarial assumptions have been changed

ACTUARY

An independent consultant who advises on the financial position of the Pension Fund.

ACTUARIAL VALUATION

A review is carried out by the actuary on the Pension Fund's assets and liabilities on the Fund's financial position and recommended employers' contribution rates every 3 years reporting to the Council.

AMORTISATION

The writing off of an intangible fixed asset or a loan balance over a period of time to the Comprehensive Income and Expenditure Statement over a period of time.

ANNUAL GOVERNANCE STATEMENT

The annual governance statement is a statutory document that explains the processes and procedures in place to enable the council to carry out its functions effectively.

ASSET INDEXATION

The change in asset values being updated by referencing relevant indices which show how asset values change over time. Adopted for the 2025/26 accounts onwards.

BAD DEBT PROVISION

An amount set aside to cover money owed to the Council where payment is considered doubtful.

BAND PROPORTIONS (Also known as *VALUATION BANDS*)

This is the relation that a Council Tax property bears to the 'standard' Band D Council Tax. The band proportions are expressed in ninths and are specified in the Local Government Finance Act 1992.

BALANCE SHEET

Shows the value as at the balance sheet date of assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by reserves held by the Council.

BALANCES (OR RESERVES)

These represent accumulated funds available to the Council. Some balances (reserves) may be earmarked for specific purposes for funding future defined initiatives or meeting identified risks or liabilities. There are several unusable reserves, which are set out for technical purposes. It is not possible to utilise these to provide services.

BILLING AUTHORITY

A district, unitary or London Borough Council or the Council of the Scilly Isles. The billing authority is responsible for levying and collecting Council Tax in its area, both on its own behalf and that of its precepting authorities.

BUDGET

The budget represents a statement of the Council's planned expenditure and income.

BUSINESS RATE RETENTION

The NNDR pool was replaced in 2013/14 by the Business Rates Retention scheme, whereby authorities retain a percentage of the Business Rates collected locally.

CAPITAL EXPENDITURE

Expenditure on acquisition of a non-current asset or expenditure that adds to and not merely maintains the value of an existing asset.

CAPITAL FINANCING

This describes the various sources of money used to pay for capital expenditure. Capital expenditure can be funded from external sources, such as borrowing, capital grants and by contribution from the internal sources, such as capital receipts and reserves.

CAPITAL ADJUSTMENT ACCOUNT

A reserve set aside from revenue resources or capital receipts to fund capital expenditure or the repayment of external loans and certain other capital financing transactions.

CAPITAL PROGRAMME

The Council's plan of capital projects and spending over future years. Included in this category are the purchase of land and buildings, the erection of new buildings and works, design fees and the acquisition of vehicles, plant and major items of equipment, as well as support to other organisations/residents for works of a capital nature.

CAPITAL RECEIPTS

Income received from the sale of land, buildings or equipment.

CARRYING AMOUNT/CARRYING VALUE

These terms refer to the capitalised cost of a non-current asset, less accumulated depreciation and impairment.

CASH EQUIVALENTS

Short-term, highly liquid investments that are readily convertible to cash; e.g. bank call accounts.

CASH FLOW STATEMENT

Shows the changes in cash and cash equivalents of the Council during the reporting period, and shows how the Council generates and uses cash and cash equivalents by classifying cash flows between operating, investing and financing activities.

CENTRAL SUPPORT SERVICES

Support provided to front line services by administrative and professional officers, including financial, legal, people services, IT, property and general administrative support.

CIPFA (CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTING)

CIPFA is the professional institute for accountants working in the public services. CIPFA publishes the Code (see below).

CODE OF PRACTICE

The Code of Practice on Local Authority Accounting in the United Kingdom, which applies to the year being audited.

COLLECTION FUND

A fund operated by the billing authority into which all receipts of Council Tax and National Non-Domestic Rates are paid. Payments are made from the fund to support the Council's general fund services and to the precepting authorities. The fund must be maintained separately from the authority's General Fund.

COMMUNITY ASSETS

Assets that the Council intends to hold in perpetuity that have no determinable useful life and that may have restrictions on their disposal, such as parks and historic buildings.

COMPONENTISATION

The recognition of distinct parts of an asset (components) as separate assets for depreciation purposes.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT (CIES)

Statement recording all of the Council's revenue income and expenditure for the year. Expenditure represents a combination of statutory duties and discretionary spend focused on local priorities and needs.

CORPORATE AND DEMOCRATIC CORE

This comprises all activities which local authorities engage in specifically because they are elected, multi-purpose organisations. The cost of these activities is thus over and above those which would be incurred by a series of independent, single purpose, nominated bodies managing the same services. It includes costs relating to the corporate management and democratic representation.

CONSUMER PRICE INDEX (CPI)

The measure of inflation used for the indexation of benefits, tax credits and public service pensions. The CPI is an internationally comparable measure of inflation and is used to compare inflation across regions.

CONTINGENT ASSET

A possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

CONTINGENT LIABILITY

Sums of money that the Council will be liable to pay in certain circumstances. e.g. as a result of losing a court case.

COUNCIL TAX

A system of local taxation, which is set by both the billing and precepting authorities at a level determined by the revenue expenditure requirement for each authority, divided by the Council Tax Base for its area.

COUNCIL TAX BASE

An amount calculated by the billing authority, by applying the band proportions to the total properties in each band in order to calculate the number of band D equivalent properties in the authority's area. The tax base is also used by the precepting and some levying bodies in determining their charge to the area.

CURRENT SERVICE COST

An estimate of the true economic cost of employing people in a financial year. It measures the full liability estimated to have been generated in the year.

CREDITORS

Amounts of money owed by the Council for goods or services received.

CURRENT SERVICE COST

An estimate of the true economic cost of employing people in a financial year. It measures the full liability estimated to have been generated in the year.

DEBTORS

Amounts of money owed to the Council for goods or services provided.

DEDICATED SCHOOLS GRANT (DSG)

A ring-fenced grant from the Department for Education paid to Local Education Authorities for the Education of Children and Young Adults up to the age of 25.

DEFINED BENEFIT SCHEME

A pension or other retirement benefit scheme other than a defined contribution scheme.

DEFINED CONTRIBUTION SCHEME

A pension or retirement benefit scheme where employees make fixed contributions, and the employer has no obligation to make additional payments if the scheme lacks sufficient assets to cover benefits for past and current service.

DEPRECIATION

A provision made in the accounts to reflect the cost of consuming assets during the year, e.g. a vehicle purchased for £30,000 with a life of five years would depreciate on a straight-line basis at the rate of £6,000 per annum. Depreciation forms part of the ‘capital charges’ made to service revenue accounts and is covered by International Accounting Standard (IAS) 16.

DIRECT REVENUE FINANCING

Funding of capital expenditure directly from revenue budgets.

EARMARKED RESERVES

Amounts set aside for a specific purpose to meet future commitments or potential liabilities, for which it is not appropriate to establish a provision.

EXCEPTIONAL ITEMS

Material items which derive from events or transactions that fall within the ordinary activities of the Council, which need to be disclosed separately by virtue of their size or incidence to give a fair representation in the accounts.

EXIT PACKAGES

The cost to the Council of early termination of staff employment before normal retirement age.

EXTERNAL AUDITOR

The Public Sector Audit Appointments Limited (PSAA) appoints the external auditor. The current auditor is Grant Thornton LLP.

EVENTS AFTER THE BALANCE SHEET DATE

These events, both favourable and unfavourable, occur between the Balance Sheet date (31 March) and the date on which the statement of accounts are signed.

FAIR VALUE

Fair Value is defined as the amount for which an asset could be exchanged or a liability settled, assuming that the transaction was negotiated between parties knowledgeable about the market in which they are dealing and willing to buy/sell at an appropriate price, with no motive in their negotiations other than to secure a fair price.

FINANCE LEASE

A contractual agreement for the use of an asset, where in substance the risks and rewards associated with ownership reside with the user of the asset (lessee) rather than the owner (lessor).

FINANCIAL YEAR

The local authority financial year starts on 1 April and ends the following 31 March.

FIXED ASSETS

Assets that yield benefit to the Council and the services it provides for a period of more than one year.

GENERAL FUND

This is the main revenue account of the Council. It includes the cost of all services provided which are paid from Government grants, generated income, NNDR retention and borough's share of Council Tax. It excludes the HRA. By law, it includes the cost of services provided by other bodies who charge a levy to the Council.

GOING CONCERN

The concept that the authority will remain in operational existence for the foreseeable future, in particular that the revenue accounts and balance sheet assume no intention to curtail significantly the scale of operations.

GROUP ACCOUNTS

Where a Council has a material interest in another organisation (e.g. subsidiary organisation) group accounts have to be produced. These accounts report the financial position of the Council and all organisations in which it has an interest.

HERITAGE ASSETS

Assets held and maintained principally for their contribution to knowledge and culture. e.g. War memorials and museum stocks.

HOUSING REVENUE ACCOUNT (HRA)

An account which includes expenditure and income arising from the provision of rented dwellings. It is, in effect, a landlord account. Statute provides for this account to be separate from the General Fund and any surplus or deficit must be retained within the HRA. No costs may be charged to Council Tax nor can Housing Rent income be used to support General Fund expenditure.

IMPAIRMENT

A reduction in the value of a non-current asset (but not through economic consumption) below the carrying value in the accounts.

INFRASTRUCTURE ASSETS

Non-current assets that are unable to be readily disposed of, the expenditure on which is recoverable only by continued use of the asset created. Examples are highways and footpaths.

INTANGIBLE ASSETS

Assets which do not have a physical form but provide an economic benefit for a period of more than one year; e.g. software licences.

INTEREST COST-Pensions

For defined benefit pension schemes the interest cost is the present value of the liabilities during the year because of moving one year closer to being paid.

INTERNATIONAL FINANCIAL REPORTING INTERPRETATION COMMITTEE (IFRIC)

The body which set financial reporting guidelines based on International Financial Reporting Standards. Since 2009/10, the treatment of PFI was based on the adoption of IFRIC standard 12. IFRIC standard 4 is followed in determining whether an arrangement contains a lease.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Local authorities are required to adopt the International Financial Reporting Standards (IFRS); a code of practice based on an internationally agreed set of financial rules. These dictate a level of analysis and disclosure that allows readers of the Statement of Accounts to gain a clearer understanding of the Council's financial position and activities.

INVENTORIES

Materials or supplies to be used in the production process or in providing services; for this Council, the fuel transport store.

LEVIES

The Council is statutorily required to make payments to bodies such as the Environment Agency. The cost of these bodies is borne by local authorities in the area concerned based on their Council Tax base and is met from the General Fund.

MINIMUM REVENUE PROVISION (MRP)

The minimum revenue provision (MRP) is the minimum amount that must be charged to an authority's revenue account each year and set aside as a provision for debt repayment or other credit liabilities.

MOVEMENT IN RESERVES STATEMENT (MIRS)

Shows the movement in year on reserve balances held by the Council, including between usable and unusable reserves.

NATIONAL NON-DOMESTIC RATE (NNDR)

More commonly known as 'business rates', these are collected by billing authorities from all non-residential buildings. The poundage level is set by the Treasury. Amounts payable are based on rateable values multiplied by this poundage level.

NEW HOMES BONUS

New Homes Bonus is a Government scheme aimed at encouraging local authorities to grant planning permissions for building new houses and bringing long-term empty properties back into use. The non ring-fenced grant is based on the number of new properties.

NET BOOK VALUE

The amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current value, less the cumulative amounts provided for depreciation.

NET REALISABLE VALUE

The amount at which an asset could be sold after the deduction of any direct selling costs.

NON-CURRENT ASSETS

Assets which yield a benefit to the Council for a period of more than one year.

NON-DISTRIBUTED COSTS

Non-distributed costs are defined as comprising:

retirement benefit costs including past service costs, settlements and curtailments. To note, current service pension costs are included in the total costs of services. the costs associated with unused shares of IT facilities; and the costs of shares of other long-term unused but unrealisable assets

OPERATIONAL ASSETS

Fixed assets held and occupied, used or consumed by the Council in the direct delivery of those services for which it has either a statutory or a discretionary responsibility.

OPERATING LEASE

A lease other than a finance lease. This is a method of financing assets which allows the Council to use, but not own the asset and therefore is not capital expenditure. A third party purchases the asset on behalf of the Council, who then pays the lessor an annual rental charge for the use of the asset

NON-OPERATIONAL ASSETS

Fixed assets held by a Council, but not directly occupied, used or consumed in the delivery of services; for example, investment properties and assets surplus to requirements held pending sale or redevelopment.

OUTTURN

This is the actual level of expenditure and income for the financial year.

PAST SERVICE COST

These events, both favourable and unfavourable, occur between the Balance Sheet date (31 March) and the date on which the statement of accounts are signed.

PENSION FUNDS

For the Local Government Pension Scheme, the funds that invest employers' and employees' pension contributions in order to provide pensions for employees on their retirement and pensions for employees' dependants in the event of death of an employee.

PENSION STRAIN

The cost to the Council of reimbursing the Pension Fund should it agree to employees aged 55 and over drawing their pension before normal retirement age.

PRIOR YEAR ADJUSTMENT

A material adjustment applicable to prior years arising from changes in accounting policies or correction of fundamental errors.

PROJECTED UNIT METHOD – PENSION FUND VALUATION

An accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings. An accrued benefits valuation method is a valuation method in which the scheme liabilities at the valuation date relate to: • the benefits for pensioners and deferred pensioners (i.e. individuals who have ceased to be active members but are entitled to benefits payable at a later date) and their dependents, allowing where appropriate for future increases, and • the accrued benefits for members in service on the valuation date.

PRIVATE FINANCE INITIATIVE (PFI)

PFI offers a form of Public-Private Partnership in which local authorities do not buy assets but rather pay for the use of assets held by the private sector.

PRECEPT

The charge made by one authority (the precepting authority such as Royal Berkshire Fire and Thames Valley Police) on another authority (the billing authority such as Slough Borough Council) to obtain income to finance its net expenditure. The precept levied by the precepting authority is incorporated within the Council Tax charge. The Council pays the amount demanded over an agreed time scale.

PROPERTY, PLANT AND EQUIPMENT (PPE)

Covers all tangible (physical) assets used in the delivery of services, for rental to others, or for administrative purposes, that are used for more than one year.

PROVISION

Amount set aside for liabilities and losses, which are certain or very likely to occur but where the exact amount or timing of the payment is uncertain.

PRUDENTIAL CODE

The Prudential Code frees authorities to set their own borrowing limits having regard to affordability. In order to demonstrate this has been done, and enable adherence to be monitored, authorities are required to adopt a number of appropriate 'Prudential Indicators'.

PUBLIC WORKS LOAN BOARD (PWLB)

A government agency, part of the Debt Management Office which lends money to public bodies for capital purposes. The majority of borrowers are local authorities. Monies are drawn from the National Loans Fund and rates of interest are determined by the Treasury.

PUPIL PREMIUM GRANT

This is based on Free School Meals (FSM) eligibility data as at January each year. It is ring-fenced to schools in the same way as DSG.

RATEABLE VALUE

The Valuation Office Agency (part of HM Revenue and Customs) assesses the rateable value of non-domestic properties. Business rate bills are set by multiplying the rateable value by the NNDR poundage set by the Government for the year. Domestic properties do not have rateable values; instead they are assigned to one of the eight valuation bands for Council Tax.

RELATED PARTIES

People or organisations that control, influence, or are influenced by the council, including members, officers, their close family, and entities they have significant interest in.

RELATED PARTY TRANSACTION

A transfer of resources, services, or obligations between the council and a related party, regardless of whether a price is charged.

RESERVES

An amount set aside for a specific purpose in one year and carried forward to meet future obligations.

RETAIL PRICE INDEX (RPI)

The measure of inflation used prior to the adoption of CPI by the Government.

REVALUATION

Recognises increases or decreases in the value of non-current assets that are not matched by expenditure on the asset; gains or losses are accounted for through the revaluation reserve.

REVENUE EXPENDITURE

The regular day-to-day running costs a Council incurs to provide services.

REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE (REFCUS)

Expenditure which is legitimately financed from capital resources, but which does not result in, or remain matched with tangible assets.

REVENUE SUPPORT GRANT (RSG)

The general grant paid by the Government to local authorities to help finance their services.

RIGHT OF USE ASSET

The lessee's (i.e. tenant's) right to use an asset over the life of a lease.

SERVICE CONCESSIONS

An arrangement involving the private sector constructing or upgrading assets used in the provision of a public service and operating and maintaining those assets for a specified period of time.

SURPLUS ASSETS

Assets not being used in the delivery of services that do not qualify as being ‘held for sale’ under accounting guidance.

SOFT LOANS

Funds received and advanced at less than market rates.

THE CODE

The Code Of Practice On Local Authority Accounting In The United Kingdom is produced by CIPFA, and incorporates guidance in line with IFRS, IPSAS and UK GAAP Accounting Standards. It sets out the proper accounting practice to be adopted for the Statement of Accounts to ensure they ‘present fairly’ the financial position of the Council. The Code has statutory status via the provision of the Local Government Act 2003.

UNSUPPORTED BORROWING

Local authorities can set their own borrowing levels based upon their capital need and their ability to pay for the borrowing, costs are not supported by the Government so services need to ensure they can fund the repayment costs. The borrowing may also be referred to as Prudential Borrowing.

USABLE CAPITAL RECEIPTS

This represents the amount of capital receipts available to finance capital expenditure in future years, or to provide for the repayment of debt.

Part.2 Abbreviations used in the accounts

CCG – Clinical Commissioning Group

CIPFA – Chartered Institute of Public Finance and Accountancy

CIES – Comprehensive Income and Expenditure Statement

CPI – Consumer Price Index

DSG – Dedicated Schools Grant

EIP – Equal Interest and Principal

EIR – Effective Interest Rate

FRS – Financial Reporting Standard

FVTPL – Fair value through profit and loss

HRA – Housing Revenue Account

IAS – International Accounting Standards

ISB – Individual Schools Budget

IFRS – International Financial Reporting Standards

MIRS – Movement in Reserves Statement

MRR – Major Repairs Reserve

NNDR – National Non-Domestic Rates

PFI – Private Finance Initiative

PPE – Property, Plant and Equipment

PWLB – Public Works Loan Board

REFCUS – Revenue Expenditure Funded From Capital Under Statute

RICS – Royal Institution of Chartered Surveyors

ROU – Right Of Use

RPI – Retail Price Index

RSG – Revenue Support Grant

RTB – Right to Buy

SOLACE – Society of Local Authority Chief Executives

END