



# East Dunbartonshire Council

**Unaudited Accounts  
2023-24**



sustainable thriving achieving

**East Dunbartonshire Council**

[www.eastdunbarton.gov.uk](http://www.eastdunbarton.gov.uk)

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## Management Commentary

### 1. Introduction

The Management Commentary sets out the key messages on the Council's financial and service performance for 2023/24. It looks ahead to the challenges and risks the Council, its partners, residents and communities will face as we work together to meet the changing needs of the people of East Dunbartonshire.

The Annual Accounts present the financial position and performance of the Council demonstrating the stewardship of the public funds that support the Council's vision and key priorities. The financial position of the wider Council group is also presented. The format and content of the Annual Accounts accord with the Code of Practice on Local Authority Accounting in the United Kingdom. East Dunbartonshire is required to produce our annual accounts on an annual basis in accordance with the Local Authority Accounts (Scotland) Regulations 2014.

CIPFA's statement on the role of the Chief Finance Officer Local Government sets out the Chief Finance Officer's responsibilities for producing the accounts and financial records for those accounts. The CIPFA Statement requires that the annual accounts are published on a timely basis to communicate the authority's activities and achievements, its financial position and performance and requires certification of the accounts by the Chief Finance Officer. This certification is the confirmation that the accounts present a 'true and fair' view.

The presentation of the Annual Accounts both closes the financial management cycle and initiates the start of the next financial cycle with the rolling forward and review of the medium-term financial plan. This extends to consideration of the themes within long term financial strategy and the financial resilience of the Council.

### 2. East Dunbartonshire

East Dunbartonshire (Siorrachd Dhùn Bhreatainn an Ear) was established in 1996 as a result of the Local Government etc. (Scotland) Act 1994. It shares boundaries with North Lanarkshire, Stirling and West Dunbartonshire Councils. The principal towns in the area are Bearsden, Bishopbriggs, Kirkintilloch, Lenzie and Milngavie, and these with the villages of Torrance, Lennoxton, Milton of Campsie and Twechar form the main population centres of the area.

## 2023 /2024 highlights



**2,838 tonnes**  
of food waste was collected  
and processed



**7,982 tonnes**  
of garden waste was collected during the  
**2023** season



Customer services effectively responded to  
**142,170 phone calls**



**263,914 Alarm Care**  
calls were handled by the  
Emergency Response Centre.

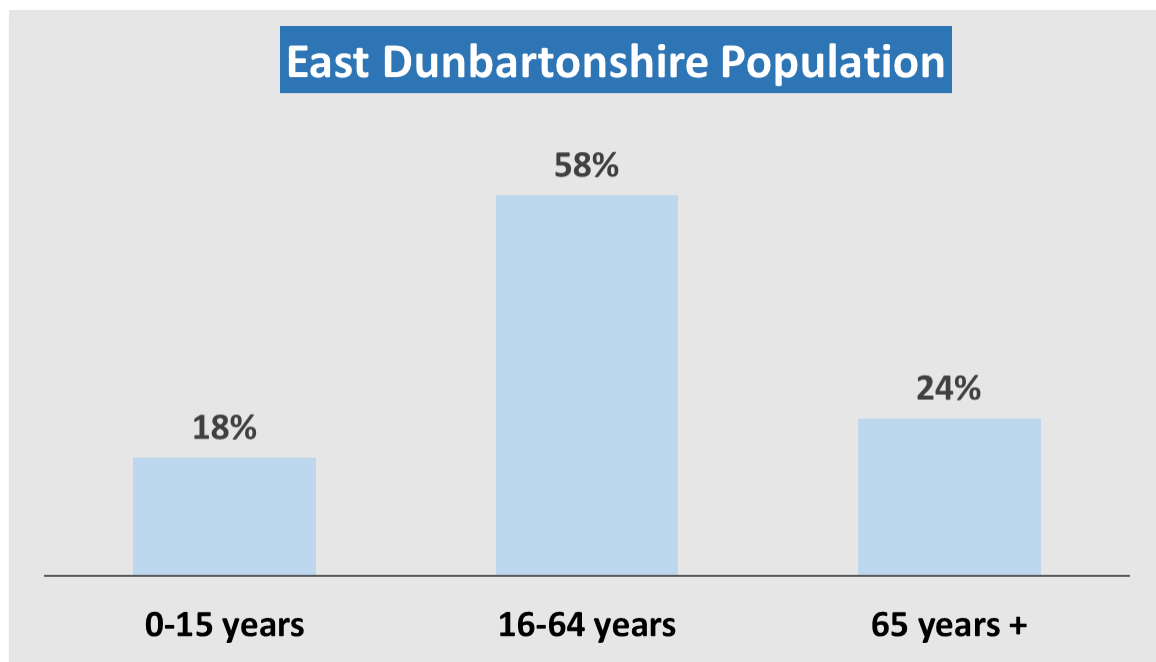


**100% of**  
**traffic light repairs**  
completed within 48 hours

East Dunbartonshire is bounded by the Campsie Fells and Kilpatrick Hills with the Forth and Clyde Canal and Antonine Wall running through our boundaries. Milngavie is the starting point for the popular West Highland Way long distance footpath to Fort William. With great transport connections to Glasgow and Edinburgh and excellent schools, East Dunbartonshire is regularly recognised as a great place to live and to raise a family and the Council priorities aim to ensure that the area is an excellent place to live, learn, visit or to establish and grow a business.

East Dunbartonshire covers an area of 77 square miles and provides an outstanding natural environment with several visitor attractions including the West Highland Way, Antonine Wall, Lillie Art Gallery and Campsie Fells. East Dunbartonshire has been regularly ranked as one of the best places to live in Scotland.

The population of East Dunbartonshire is approximately 108,980, which is projected to increase over the next 10 years. An increase is projected across all broad age groups with the highest increase predicted in those aged 75 and over. Current population figures show East Dunbartonshire's age breakdown as shown in the chart below.



East Dunbartonshire sits within west-central Scotland, its largest towns, Bearsden and Milngavie in the southwest and Kirkintilloch in the southeast, lie within the historic county of Dunbartonshire. The Council area also includes a small area in the south around the town of Bishopbriggs in the historic county of Lanarkshire and a more extensive area in the northeast that belongs to the historic county of Stirlingshire, including Lennox Forest and the Campsie Fells.

East Dunbartonshire Council at 31 March 2024 was constituted by 22 members. The Local Government elections on 5th May 2022 returned a political balance of 8 SNP, 6 Liberal Democrats, 4 Labour, 3 Conservative and 1 Independent. The political balance at 31 March 2023 was 8 SNP, 5 Liberal Democrats, 4 Labour, 2 Conservatives and 3 Independents.

Elected Members continue to operate on many levels as representatives of their constituents on local matters, as policy makers and decision takers in relation to the policies and finances of the Council. Elected Members also have a scrutiny and challenge role in relation to policies and decisions made over the year. They also have a regulatory role in relation to Planning, Licensing and other quasi-judicial matters. Lastly elected Members also represent East Dunbartonshire Council in various local, regional and national forums.

# East Dunbartonshire local councillors

- Conservative (Con)
- Independent (Ind)
- Labour (Lab)
- Liberal Democrat (LD)
- Scottish National Party (SNP)

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Councillors are residents elected to represent their local community in the running of the Council. They have an important role in many of the major decisions that affect people's lives, including;

- Decision making - Councillors are responsible for ensuring the Council has a clear direction and that the Chief Executive has put in place accountability and appropriate working arrangements in place to ensure that the Council achieves what it sets out to do.
- Developing and reviewing policy - Review and decision making of Council policy through their role in scrutinising and approving, where appropriate, new and revised policies.
- Scrutiny - Councillors are the only locally democratically elected community representatives capable of holding public services to account for their performance within local areas and on behalf of local communities.
- Representation - A key role of a councillor is to represent their ward and the people who live in it. This demands visibility, being a trusted point of contact and an effective advocate for local people.
- Regulator - Councils are not just service providers, they also play a regulatory role in issues such as planning, licensing, trading standards and environmental health. This involves councillors in quasi-legal roles on special committees appointed directly by the Council. These regulatory committees operate within a specific set of legislation and guidance, and councillors can only make decisions that are in accordance with such legislation or guidance.

Together these Elected Members constitute the Council with Officer Structures cascading from the Chief Executive, as the Head of Paid Service, the Chief Finance Officer, the Chief Solicitor & Monitoring Officer, the HSCP Chief Officer, the Chief Social Work Officer and six Executive Officers and their operational teams. The current structure of the Senior Leadership Team (SLT) was approved at the Council meeting on the 22nd February 2024 and it works closely with the General Manager of the EDLCT and the HSCP Management Team. Further information on the Council's leadership structure is provided within the Remuneration Report also included within these Annual Accounts.

### **3. Key Risks, Uncertainties and Financial Pressures**

Over the last decade the Council's finances have served to reflect a period of change and recovery. Significant events in prior years, such as the impact of Covid-19, financial austerity and demographic change, have shaped the Council to remain sustainable and continue to perform well against a backdrop of reduced funding. Such austerity along increased demand on resources and the costs of delivery has increased year-on-year with the rates of inflation peaking, and remaining especially high within those areas of Council activity such as health and social care, capital projects and reactive maintenance.

During 2023/24 the Council agreed a Strategic plan to support communities, businesses and households. This plan was specified to allow time and service continuity to enable recovery from the worst aspects of the cost-of-living crises. The financial package, underwritten by increased reserves in the prior-year, deferred the need to passing on the full impact of the cuts that otherwise would have been required within a reduced, real terms, financial settlement. This planned use of reserves was both significant and required, but cannot not be sustained. These accounts bear testament to the additional support provided but with future capacity to

The impact of the cost-of-living crisis has been challenging for the Council to manage. Planned use of reserves were more substantial than anticipated due to much higher pressures within Council services. Whilst the cumulative impact has been significant, it has served to galvanise systems, structures, teams, governance arrangements and strategies to the extent that change has been well managed and only now serves as a point where the strategy must change. At the end of the financial year 2023/24, worldwide events are such that the term 'unprecedented' along with considerations around austerity and now financial sustainability are under constant scrutiny. With Reserves applied to a large extent and the costs of increased delivery falling within increasingly challenging political and management decisions and ultimately in Council Tax.

Under the Code of Audit Practice, the audit of Best Value is integrated within the work of the External Audit Team who are required to assess the seven Best Value themes at the Council over the period of the audit appointment. Auditors use a risk-based approach that is proportionate to the Council to ensure we have made proper arrangements for securing Best Value and is complying with its community planning duties.

The previous assessment for the financial year 2022/23 was Reported to Council in December 2024 which also included a followed up on previously reported Best Value findings. This concludes on the pace and depth of improvement implemented by the Council with those previous recommendations on LGBF Reporting and Financial Planning now completed.

## a. Risk Registers

The Council agreed a revised approach to strategic planning and performance and refreshed its strategic priorities in November 2022. This was reviewed again in December 2023 given the ongoing financial challenges. This ensures that risks and mitigating actions are well specified.

The first stage of this risk management process is to assess the risks to the Council at the highest strategic level. It is important to recognise that the assessment undertaken at this level is to consider the potential for the failure to deliver on our strategic priorities or the failure to operate in line with our stated principles as a consequence of external influences.

There is a well-established analytical tool, referenced in our Corporate Risk Management Strategy that allows organisations to assess risk at this strategic level against six key external influences. Specifically:



In the renewed approach to the Council's Strategic Priority and Performance Framework, "East Dunbartonshire Forward in Partnership", agreed by Council on 23 June 2022, the key messages of the vision were reinforced through the following principles:

- An open and transparent Council that genuinely engages with the communities it serves and with the employees who deliver its services.
- A Council that listens to what people are saying and takes decisions after consultation.
- A Council that will promote community empowerment, particularly in areas that struggle to be heard and enhance the role of local residents, businesses and community groups in local democracy and decision-making.

In that same Council Report of June 2022, Council endorsed a set of fresh priorities for 2022-2027 across four strategic themes shown over the page.

The Council's current Strategic Planning and Performance Framework therefore details not only what the Council wants to achieve, but also how the Council should collaborate with our partners and communities to achieve these outcomes. The Council is in essence adopting a public health approach to service delivery centred around engaging with our communities to protect and improve their health and wellbeing.

The risk being assessed is the risk of any of these external factors negatively impacting on the Council's ability to achieve some or all of its strategic priorities. More specific analysis or risk to individual priorities will be undertaken at a Service level. For example, when considering the external economic influence, the risk being assessed is at a



macro-economic level, i.e. the Council having insufficient funds to deliver all of its priorities. This risk will also be considered within the Finance and Audit Risk Strategy, but consideration of the finance risk at this level will extend to the consideration of potential failings in internal systems and control mechanisms.



Similarly, within the Environmental risk context, one of the risks will be of a civil contingencies event of any nature impacting on the Council's ability to deliver on its outcomes. This could include a pandemic, a cyber-attack, a severe weather event or a prolonged power outage. Detailed analysis of these and other individual civil contingencies risks will be addressed in the Civil Contingencies Risk Register and associated Service Risk Registers as appropriate.

## **b. Governance**

The Council's Administrative Scheme governs specific and general powers of delegation to Senior Officers. This supplements the powers delegated to various Committees, Boards and other decision-making bodies. This enables decisions to be made in an appropriate and transparent manner, but which also enables day-to-day business to progress. The Council's regular cycle of meetings were disrupted by the Covid-19 pandemic with duties normally requiring Council/Committee approval being delegated to the Chief Executive during such times (in whose absence Executive Officers) and in consultation with any other Officers deemed necessary. On the 27 April 2023 the Council agreed to a cycle of meetings for 2023/24 which represented the move to a 4-cycle year and included provision for a then anticipated UK General Election in May 2024.

The Council has continued to discharge its legal and statutory responsibilities during the year through the normal course of business. Such activities are reflected within these Accounts, which will also include reference to ongoing recovery from Covid-19, where a number of accommodations were previously made within the Council's strategy, business model and performance regime. Most of the provisions within the Coronavirus Act 2020 have expired. Whilst the pandemic has eased, its effects are still felt. These Accounts, and those in future years, reflect the Council's ongoing response in its role to support residents, business and communities. More than ever this reinforces the Council vision of:

*"Working together to achieve the best with the people of East Dunbartonshire"*

## **c. Risk Management**

Risk registers continue to reflect significant challenges over the short, medium and long term with financial pressures, technological developments, partnership demands, demographic factors, public policy developments, and political direction all adding to the risks and uncertainty within the Local Government Sector.

The need to manage risks relating to public sector austerity and reducing financial resources, within an environment of increasing demand for services, and driven by demographic change is one of the key longer-term challenges and risks for the Council.

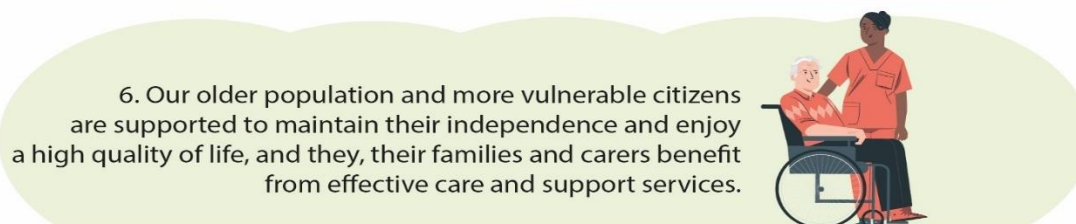
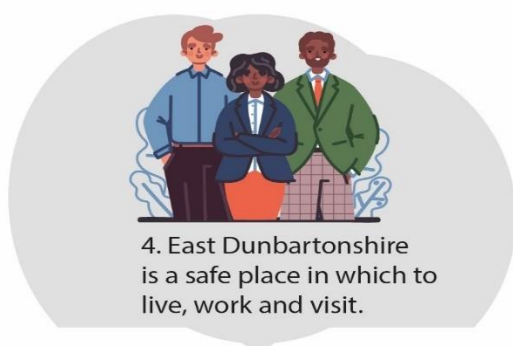
Such pressures have required the significant and ongoing reshaping of service delivery with the Council taking this forward as part of the Transformation Programme and associated 'Have YOUR Say' Budget consultation. Delivery against these also represents a key risk and, despite the Council's response to meet these challenges, ongoing

austerity and real terms reductions in grant funding remains. The Council has a clear plan for the required next steps through the implementation of a transformative agenda to shape the future delivery of Council services. The nature, timing and extent of these is now likely to change, with key areas of focus remaining those set around finances, resources, community needs and inequalities, collaboration, leadership and workforce.

#### 4. Objectives and Strategy

There is a strong tradition of effective partnership working in East Dunbartonshire to deliver successful outcomes for the area. The East Dunbartonshire Community Planning Partnership (CPP) involves partner organisations working together to ensure effective use of resources, engagement with the community, and the delivery of services, to improve the lives and outcomes of people across East Dunbartonshire.

The current Local Outcome Improvement Plan (LOIP) sets out the following six outcomes and the mechanisms through which these will be achieved.



The LOIP was prepared in 2017 and meets the requirements of the Community Empowerment (Scotland) Act 2015. Through its delivery, the Council and its Community Planning Partners continue to demonstrate improvement, focusing on reducing disadvantage across the authority and achieving the vision for East Dunbartonshire.

The LOIP is underpinned by a series of Locality Plans for each of the four areas of highest deprivation. Locality Plans are a vital tool that empowers communities by giving them a voice in shaping their future, to address poverty and inequalities. The Locality Plans were reviewed and Council approved in 2023, with extensive community engagement involving residents, organisations and partners. The revised Locality Plans for Auchinairn, Hillhead, Lennoxton and Twechar establish action plans that detail specific steps and initiatives to address community needs and bring about positive change.

The development of the reviewed Locality Plans will inform revisiting the outcomes and priorities of our LOIP, with a focus on localities. The planned review and governance arrangements going forward for the LOIP.

The Council also agreed in June 2022 a revised approach to strategic planning and performance: “East Dunbartonshire Forward in Partnership” supporting the delivery of the Council’s revised strategic priorities and outcomes, decision-making and the appropriate prioritisation of services and resources. ‘East Dunbartonshire Forward in Partnership’ places citizens and communities at the heart of decision-making and the strategic priorities for 2022 to 2027.

Whilst much has been achieved to date, challenges continue to change and grow, in both size and complexity. Challenges resulting from the ongoing global and UK-wide financial challenges and the continuing cost of living crisis fundamentally affect our local communities with associated impact on partnerships and Council services. It therefore remains vital that resources are targeted in an effective, economic and efficient way and that the Council, in conjunction with Partners, can continue its work to address poverty and inequalities within our communities.

Through annually refreshed Business Improvement Plans (BIPS), each strategic service area sets out how they will contribute to the Council’s strategic priorities for the coming year. Progress against these plans is currently reported on a regular basis through the How Good is Our Service (HGIOS) Self Evaluation Framework, with monthly reports and more in depth analysis reported at six months and year-end.

The Council also agreed in June 2022 a revised approach to strategic planning and performance: “East Dunbartonshire Forward in Partnership” supporting the delivery of the Council’s revised strategic priorities and outcomes, decision-making and the appropriate prioritisation of services and resources. ‘East Dunbartonshire Forward in Partnership’ places citizens and communities at the heart of decision-making and the strategic priorities for 2022 to 2027 are categorised within the following themes:

- Health and wellbeing
- Access to services
- Finance and employment
- Community and environment.

The Council’s Strategic Planning and Performance Framework (SPPF) ensures that relevant information on the performance of services is available to officers, elected members and our local communities. This also includes the publication of benchmarking data allowing us to make meaningful comparisons with other areas.

## **5. Key Achievements in 2022/23**

Against the back-drop of ever-challenging local government finances, the Council continues to perform well. In the publication of Local Government Benchmarking framework data in February 2024 (for 2022/23 data). For 2022/23 62% of indicators showed improvement for the Council since the baseline year. The overall trend for the year was one of improvement with 58% of indicators demonstrating improvement compared to 39% of indicators demonstrating decline.

Overall, 64% of indicators for the Council were above the Scottish average. Rank position was maintained or improved in 67% of indicators compared to rank declining in 33% of indicators. Almost two thirds of indicators for East Dunbartonshire were in the top half of all local authorities in Scotland, with 36% in the top quartile compared to 13% in the bottom quartile.

The successful completion and delivery of key projects and initiatives continued in 2023/24. Key achievements for the Council include the following on the next page.





External pitches, building and landscaping works were completed at the new £40.9 million Bocclair Academy in Bearsden.



The fantastic new Woodland View Additional Supports Needs School welcomed pupils in August 2023 and was officially opened by Provost Renwick in October 2023.



A network of 75 Council owned and operated life-saving defibrillators was installed across the area in Community Hubs, Community Halls, workplaces and schools, completed in 2023.



The second phase of the new Allander Leisure Centre was completed with the construction of the Sports Dome and completion of exterior works, with the facility officially opened in February 2024.



Excellent new facilities were provided at Lennoxtown High Park with the completion of the new Pavillion and Pitches, officially opened in March 2024.

## a) General Fund Performance

The General Fund is the statutory fund into which all the receipts of the Council are required to be paid and out of which all liabilities of the Council are to be met, except to the extent that statutory rules might provide otherwise.

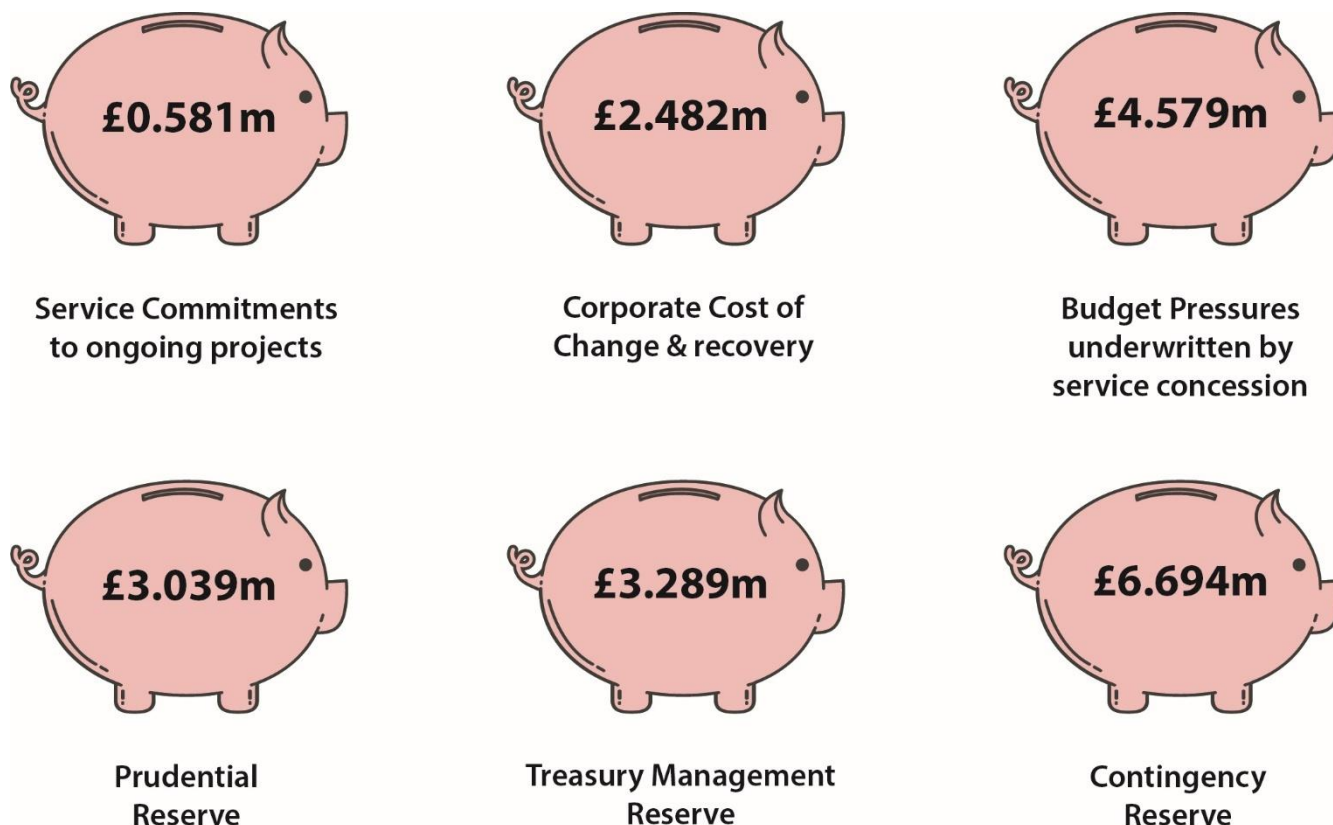
Government Grants, Fees & Charges, Council Tax income, Non-Domestic Rate Income (subject to pooling arrangements) and interest/returns on investments provide resources for the General Fund. The General Fund is split between uncommitted balances (the level of funding available to the Council to manage financial risks and unplanned expenditure) and balances that have been earmarked for specific purposes.

The Council has a robust financial reporting framework in place and reports are presented at every Policy and Resources Committee for general fund revenue and capital. Reports on housing through the Housing Revenue Accounts are discharged through reporting to Place, Neighbourhood and Corporate Assets Committee. There are also reports presented to Council for risks, financial long term plans, treasury monitoring and reserves most notably through the Strategic Planning & Performance Framework.

The Council recognises the potential impact of ongoing uncertainty and continues to apply its Policy & Strategy on Reserves with current levels reflecting current levels of uncertainty and risk. The Prudential Reserve for 2023/24 equates to £3.039m.

The Council's Unallocated General Fund balance, established for minimum level of designated funds to ensure stable service delivery, meet future needs and protect against financial instability, has been retained at 2% of the Council's net expenditure. This equates to £6.694m and is line with the Reserves Strategy. The Council's Treasury Management Reserve has been retained at £3.289m in 2023/24 which allows for long-term resilience in future years.

Earmarked reserves are used for intended purposes and are reported as such. The Council's ear-marked reserves for 2023/24 are £20.665m, a decrease £29.113m however of this £4.579m is for the Council's budget gap, £2.482m for Corporate Cost of Change and Recovery and £0.581m for service commitments to ongoing projects. This is shown as an **infographic** below.

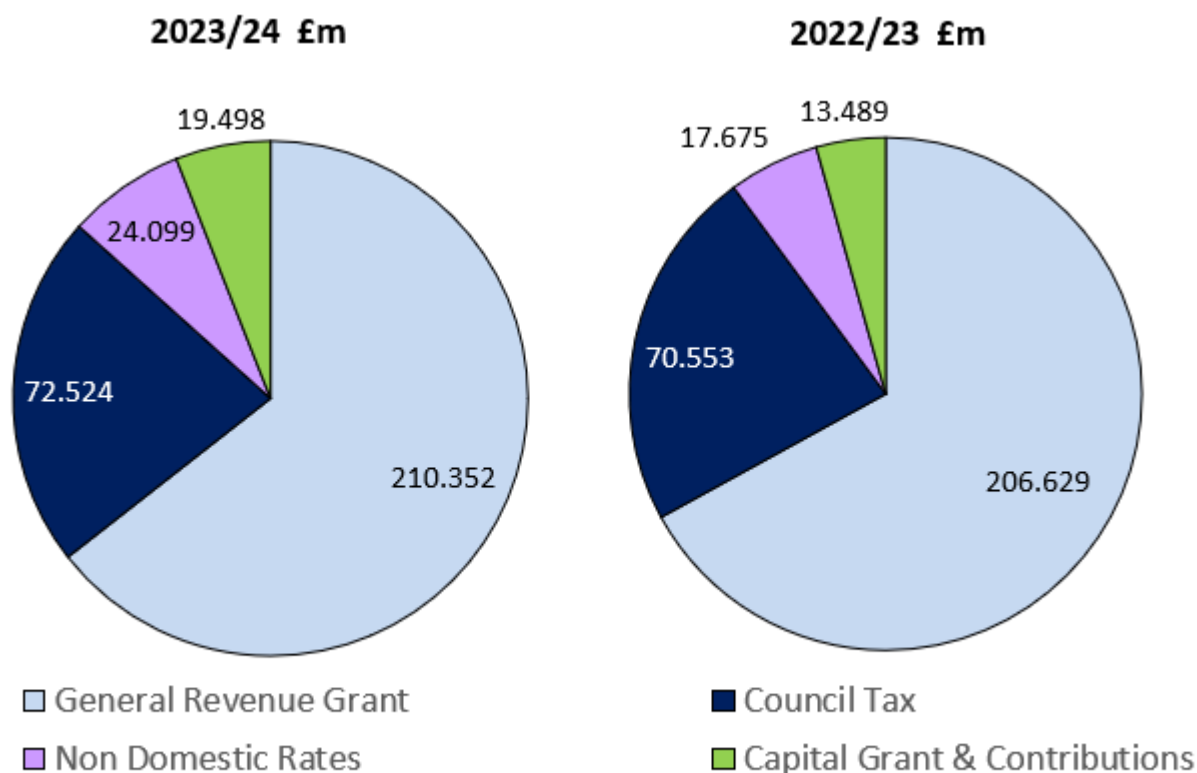


## Principal Sources of Finance

As noted above, the principal sources of finance are the General Revenue Grant, Council Tax income and Non-Domestic Rate Income. **Table 1** over the page shows a comparison of the principal sources of finance compared with the previous financial year; further analysis of this information is included in the ratio analysis later in this commentary.

**Table 1** shows that the General Revenue Grant, provided by the Scottish Government, is the Council's main source of funding. The settlement for 2023/24 was provided based on a single rather than multi-year settlement. Single year settlements do not provide certainty regarding future funding levels, represent a significant risk for the Council and limit the effectiveness of longer term financial planning. An additional £13.431 million of funding was provided through GRG redeterminations in March 2023/24 for many areas including the pay deal and probationer funding and which has an impact on the Council's cashflow in year. The level of Council Tax is set by the Council and is the most significant funding source over which local authorities have control.

**Table 1: Principal Sources of Finance for the Council**



The net income from Non-Domestic Rates (NDR), after deduction of reliefs, is retained by the Council in addition to the NDR distributed as grant funding from the national NDR pool. Total NDR raised to support the Council's expenditure in 2023/24 was £24.099m (£17.675m in 2022/23). Further details are provided in the Non-Domestic Rates Income account.

### General Fund Outturn

The Comprehensive Income & Expenditure Statement (CIES) sets out the Council's funding and spending in accordance with accounting requirements which is different to the way we report performance within the year. The Expenditure Analysis (EFA) provides a link between the budget management reports, reported within the year and the figures in the CIES. The reconciliation above assists users of the accounts to follow the figures between these statements.



**Table 2: General Fund Revenue Outturn (Per Outturn) Reconciled to EFA**

Detailed Analysis of Net Service Outturns	Final Performance Report			Building The Expenditure & Funding Analysis			
	Final Budget	Final Outturn Report	Variance For Management Reports	Final Outturn Report	Amounts not included in Net Cost of Service or Management Commentary	HSCP Adjustments & Reserves	Net Expenditure Chargeable To General Fund
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CEX, Depute CEX, Joint Boards & Misc	5,868	9,453	(3,585)	9,453	347		9,800
Assets & Facilities	47,052	51,698	(4,646)	51,698	(10,056)	299	41,941
Roads & Neighbourhood Services	21,415	22,816	(1,401)	22,816	(49)		22,767
Land, Planning & Development	3,060	2,395	665	2,395	1		2,396
Community Services	4,063	3,757	306	3,757	64		3,821
Education	132,083	134,889	(2,806)	134,889	17		134,906
Finance & Digital	17,281	18,361	(1,080)	18,361	2		18,363
Legal & Regulatory Services	3,831	3,434	397	3,434		297	3,731
Customer Services & Organisational Development	4,809	4,573	236	4,573			4,573
HSCP	75,214	77,732	(2,518)	77,732	11	(3,114)	74,629
<b>General Fund Net Expenditure</b>	<b>314,676</b>	<b>329,108</b>	<b>(14,432)</b>	<b>329,108</b>	<b>(9,663)</b>	<b>(2,518)</b>	<b>316,927</b>
PPP Principal and interest		0	0	0	9,758		9,758
Debt charges	13,651	12,731	920	12,731	(178)		12,553
<b>Total GF Net Expenditure</b>	<b>328,327</b>	<b>341,839</b>	<b>(13,512)</b>	<b>341,839</b>	<b>(83)</b>	<b>(2,518)</b>	<b>339,238</b>
Government Revenue Grants & NDR	(234,300)	(234,300)	0	(234,300)	(150)		(234,450)
Council Tax Income	(72,229)	(72,229)	0	(72,229)	(295)		(72,524)
Application of HSCP Reserves		(2,518)	2,518	(2,518)		2,518	0
<b>Application of reserves</b>	<b>(21,798)</b>	<b>(32,792)</b>	<b>10,994</b>	<b>(32,792)</b>	<b>528</b>		<b>(32,264)</b>
Transfers from / to other reserves	0	0	0	0	0	0	0
<b>Entries outwith General Fund Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>72,229</b>	<b>0</b>	<b>0</b>	<b>0</b>
Balance 1 April 2023							49,776
Application of general fund balance							0
Other Transfers GF Income & Expenditure							(1,858)
PPP Adjustment							2,570
Net (Surplus) / Deficit for Year					582		(29,824)
Transfer (in) / from General Fund Balance							
<b>Balance 31 March 2024</b>							<b>20,664</b>

Within the Council's Services there are a number of notable variations between actual and budgeted net expenditure within services such as Education as well as Assets and facilities. Taken together, and excluding HSCP, debt charges and miscellaneous services, Council services have returned an overspend of £13.512m. However, the net position (excluding the HSCP) reflects an overspend equivalent to £10.994m, added to the initial gap of £21.798m, leading to an in year overspend of £32.792m. The reasons for this can be summarised as the impact of inflationary pressures, increased pay awards, supply chain shortages and payments for cost of living. In addition, Council Tax managed a rise in in-year collection rates, decreasing marginally to 97.6%. In response to

ongoing challenges, East Dunbartonshire Council has continued to ensure that finances remain well managed with update reports being supplemented to include additional information to aid understanding of the complicated financial picture. Similar to the prior year, this message reflects one where the Council has maintained financial stability and sustainability.

**Table 2** helps the Council to “tell the story” of the Annual Accounts as a number of presentational changes now required by the 2022/23 Local Authority Code of Practice means that this is increasingly difficult. This table now shows the variation between what is reported through the Council’s Service Committees and the requirements of the Expenditure and Funding Analysis in Note 1 of these Annual Accounts.

During 2023/24, the Council faced significant financial pressures, the most significant being inflation, pay rises, cost of living and supply chain shortages. The Movement in Reserves Statement shows an overall decrease in the Council’s total General Fund balance of £29.114m for the year, representing the movement in total balances from £49.778m in the prior year to £20.664m at the end of 2023/24. This is shown in **Table 2** with further analysis being reflected in **Table 3** below.

During the course of the year, uncommitted balances have increased by £0.172m. The movement in Earmarked General Fund balances is outlined in **Note 21**, which reflects the movements attributable to, for example, previous financial commitments that have been, or are in the process of being finalised.

Reflecting on the financial risks associated with the ongoing reduction in funding levels the Council continues to plan to ensure financial resilience, sustaining its Contingency Reserve at 2% of net expenditure, sustaining the Prudential Reserve, maintaining its Treasury Management Reserve in line with Loans Repayments expected and allowing for additional earmarked elements as required. Such action will allow future flexibility, sustain financial resilience and provide a position that seeks to enable the Council to manage future financial risks.

**Table 3: Movement in Uncommitted Balances**

General Fund Balances	Uncommitted Balances £000	Earmarked Balances £000	Total Balances £000
Balance B/Fwd 1 April 2023	(12,850)	(36,928)	(49,778)
Movement in year:			
Net Increase in Balances	(173)	34,446	34,273
Use of Balances	0	(5,160)	(5,160)
Balance C/Fwd 31 March 2024	(13,023)	(7,642)	(20,665)

### **b. Housing Revenue Account Performance**

Housing Revenue Account (HRA) performance shows the income generated during the year did not completely fund the running costs. This included financing of £4.371m of capital expenditure (2022/23 £4.000m) and total income generated from council house, ground, garage and homeless rents of £17.170m (2022/23 £15.982m). The final outturn position was a decrease in the surplus of £0.048m against a prior year balance of £9.298m. Further analysis is in **Table 4** below.

**Table 4: Housing Revenue Account**



Overall, most operational costs showed an unfavorable variance at the year-end because of housing repairs and admin costs. However, this was *almost* fully mitigated through a reduction in financing costs and an increase in income. The closing surplus for the HRA is £9.250m (2022/23 £9.298m). This is available to meet several ongoing commitments, and to provide financial resilience against future pressures.

### c. Group Accounts

Where Local Authorities have a material interest in other organisations, they are required to prepare group accounts in addition to their own Financial Statements. The group accounts consolidate the Council's Financial Statements, the Common Good & Trust Funds and six other entities, including two subsidiaries: East Dunbartonshire Leisure and Culture Trust Limited and Mugdock Country Park Joint Committee. The effect of combining these entities on the Group Balance Sheet is to increase reserves and net assets by £14.394m, creating an overall net asset of £372.0m.

### d. Capital Finance

The level of capital spend undertaken by local authorities is governed by the provisions of The Prudential Code for Capital Finance in Local Authorities developed by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Prudential Code gives the Council responsibility to set its own limits for capital expenditure and sets prudential indicators, which are monitored to ensure that borrowing is only incurred for capital expenditure purposes. These indicators support prudent decision-making and assist in securing affordable and financially sustainable investment and borrowing activities undertaken by the Council.

#### Capital Expenditure and Income 2023/24

The Council's priorities for General Services Capital Expenditure are set out within the 30 Year Capital Investment Plan. During the course of the year, the Council delivered a significant programme of capital works for the general fund with £42.506m of capital expenditure being applied; a figure that approximates to 88% of the revised budget of £48.421m after slippage into future years. This equates to an underspend of £5.915m before slippage. Some of the most significant capital projects undertaken during the year are highlighted below.

### Significant capital projects



Woodland View ASN



Allander Leisure Centre



Roads and Footways



Lennoxton High Park

The Housing Services Capital Budget for 2023/24 was approved by Council in February 2023. The plan for the Housing capital budget is separately informed by the long-term housing business plan. Expenditure on Housing capital was £0.861m less than the revised budget, mainly due to a change in the AHIP 2021-2026 programme. Income from grants was £3.534m less than expected, leading to total income from grants, contributions and Capital from Current Revenue (CFCR) being £12.360m.



A more detailed explanation of the capital variances for both General Fund and Housing capital programmes is presented in the final outturn report 2023/24. A summary of Capital Expenditure and Income for both General Services and Housing is shown in Table 5, this reflects the required balance funded from borrowing; additional analysis is included within Note 13.

**Table 5: Capital Expenditure and Income**

	Budget £000	Outturn £000	Under/ (Overspend) £000	Underspend % Budget
<b>Capital Expenditure</b>				
General Services	48,421	42,506	(5,915)	(12.2%)
Housing Capital	20,980	15,284	(5,696)	(27.1%)
	<b>69,401</b>	<b>57,790</b>	<b>(11,611)</b>	<b>(16.7%)</b>
<b>Capital Income</b>				
General Services	15,538	11,931	(3,607)	(23.2%)
Housing Capital	15,894	12,360	(3,534)	(22.2%)
	<b>31,432</b>	<b>24,291</b>	<b>(7,141)</b>	<b>(22.7%)</b>
<b>Net Capital Expenditure</b>	<b>37,969</b>	<b>33,499</b>	<b>(4,470)</b>	<b>(11.8%)</b>

#### **e. Capital Financing Requirement**

The Capital Financing Requirement is a measure of the capital expenditure incurred historically by the authority that can be financed by external debt. This was £503.312m at 31 March 2024 (£470.533m at 31 March 2023) after significant capital expenditure and the application of the Service Concession arrangement. The outturn capital financing requirement compared to the actual external borrowing is shown in **Table 6** below.

**Table 6: Capital Financing Requirement**

	2022/23 £m	2023/24 £m
Actual External Borrowing	301.575	358.868
<b>Plus</b> PPP / Finance Lease Liability	73.309	69.970
<b>Less</b> Capital Financing Requirement	470.533	503.314
Equals (Under) / Over Borrowed	-95.649	-74.476

Actual external borrowing and long-term liabilities are less than the capital financing requirement by £74.476m (£95.649m 2022/23), indicating that the Council is reporting a reduced under-borrowing position when compared to the previous year. An under-borrowing position means that the Council's capital borrowing requirement has not yet been fully funded with loan debt. Although this has been the position for a number of years now, it has been recognized that this is not sustainable in the long term. The Council's Treasury Management Strategy includes a plan to address this over the medium to long term. The Council has continued to use cash from reserves and balances where available to support capital programmes, which is still a short term, prudent strategy in the current economic environment where investment returns are low. This position continues to be monitored as part of the overall treasury management strategy with the Outturn Report for the Financial Year following the completion of the Annual Accounts.

## f. Borrowing

The operational boundary for external debt for the Council for 2023/24 was £429m (2022/23 £390m). The actual level of outstanding long and short-term debt, including PPP and leases at the year-end totaled £429m (2022/23 £374m). At 31 March 2024, the Council had borrowing of £359m (2022/23 £302m), comprising long-term borrowing of £272m (2022/23 £198m), and short-term borrowing (repayable within 12 months) of £87m (2022/23 £103m). The short-term borrowing includes accrued interest on long-term loans of £4.56m (2022/23 £2.89m). The average interest rate for all loans was 4.650% (2022/23 4.003%). The Council paid £14.670m (2022/23 £8.953m) of interest and similar charges on external loans and received £1.718m (2022/23 £0.997m) of interest and investment income.

## g. Balance Sheet as at 31 March 2024

The Balance Sheet sets out the total net worth of East Dunbartonshire Council at 31 March 2024. When comparing the net worth of the Council at the date of the last Balance Sheet on 31 March 2023 it can be seen that there has been an overall decrease in the net worth of the authority of £62.240m in the past 12 months.

**Table 7: Movement in Net Worth**

Movement in Year	£000
Long-term Assets	24,716
Current Assets	(9,647)
Current Liabilities	23,686
Long-term Liabilities	(100,995)
<b>Net Movement</b>	<b>(62,240)</b>

Movements in the net worth of the Council are attributed to:

- **Long-term Assets** - increase in assets being built and acquired, partly offset by a decrease in the valuation of housing assets
- **Current Assets** - increase in short term debtors due to the accrual of significant Scottish Government grants, principally the final General Revenue Grant for 2023/24 and the Housing Capital Grant
- **Current Liabilities** – mainly a decrease in short term creditors and receipts in advance, there was also a decrease in the temporary investments held by the Council mostly offset by a reduction in short term borrowing
- **Long-term Liabilities** – an increase in long term borrowing for investment in the Council's long term assets and a increase in the pensions liability position due to an increase in the pension asset ceiling (see pensions note below)

## h. Pension

The impact of the Local Government Pension Scheme and Scottish Teachers' Superannuation Scheme on the Council's accounts has been disclosed in **Notes 27 and 28** to the accounts. As at 31 March 2024, the Council's Pension Fund had a net pension liability of £55m (2022/23 a liability of £28m). This figure represents the amount that actuaries estimate that East Dunbartonshire Council has in excess of what it will have to pay out in future years for all pension entitlements earned by current and previous staff by 31 March 2024 that is not funded, after application of an asset ceiling. The actual underlying assets and obligations held within the Pension Fund for the Council do not change as a result of the asset ceiling, which is an adjustment applied in the Council's accounts. The net position has changed since 2022/23, mainly due to the increase in the asset ceiling adjustment and an increase in obligations due to an increase in pensions payable for April 2024, partly offset by an increase in returns on the scheme assets. The Council continues to monitor and measure the pension position and make changes to cash contributions as required as part of the regular assessment made by an independent actuary.

## i. Accounting Ratios

CIPFA Scotland Directors of Finance Section has developed a suite of accounting ratios for incorporation into the Annual Accounts. The ratios are intended to assist stakeholders in evaluating the Council's financial sustainability and the affordability of financial plans. These can be seen in **Table 8**.

**Table 8: Accounting Ratios**

Accounting Ratio	2023/24 % or £	2022/23 % or £	Explanation
<b>Reserves</b>			
Uncommitted General Fund Reserves as a % of annual budgeted net expenditure	3.9%	4.2%	Demonstrates the Council's flexibility to meet unanticipated expenditure, and the Council's commitment to increase reserves when it is able to do so.
Movement in the Uncommitted General Fund Balance	1.3%	(2.6%)	Reflects a slight increase in uncommitted resources available within the General Fund Balance
<b>Council Tax</b>			
In-year Collection Rate	97.6%	97.7%	Demonstrates the Council's effectiveness in collection of local taxation.
Council Tax Income as a % of Overall Revenue Funding	23.6%	23.9%	Demonstrates the funds received from Council Tax as a % of overall funding requirement.
<b>Financial Management</b>			
Actual Outturn as a % of Budget	104.1%	103.4%	Demonstrates actual expenditure under budget improving the Council's financial position at the year end.
Actual Contribution to/(from) Uncommitted General Fund Balance	£0.172m	(£0.324m)	Demonstrates the Council's application of reserves to support Council decisions during the year.
<b>Debt &amp; Borrowing</b>			
Capital Financing Requirement	£503.3m	£470.5m	This is the amount of unfunded capital expenditure.
External Debt Levels	£428.8m	£374.9m	The amount of external debt held by the Council. Reduced from last year, due to debt maturities, and use of internal resources.
Ratio of Financing Costs to Net Revenue Stream - General Fund	6.5%	5.9%	Demonstrates how much of the General Fund revenue budget is tied up in supporting borrowing
Ratio of Financing Costs to Net Revenue Stream - Housing Revenue	11.1%	21.1%	Demonstrates how much of the housing revenue budget is tied up in supporting borrowing

## 6. Future Developments and Financial Planning

The Council continues to undertake financial planning both in the medium term and beyond, incorporating and evaluating risks, uncertainties and financial pressures to reflect good financial management practices. Financial planning assumptions were revised as part of the budget setting process and updated following the publication of the Scottish Government's second Medium Term Financial Strategy (MTFS) in June 2023.



With additional information on future developments relating to Government policy, principles, borrowing, reserves and infrastructure investment the second iteration of the MTFS supplemented the first. However, further work was ongoing to include further detail in relation future planning, spending priorities, the economic context, demographic change, automation and climate change.

Future challenges will now require the above work to be reviewed in light of the wide ranging and significant impacts of inflation, future pay requirements and the impending loss of reserves. Work continues to address the Councils immediate budget pressures and financial gap with this being undertaken alongside the medium-term and longer-term financial strategies.

### *Inclusive Economic Growth*

East Dunbartonshire Council, in collaboration with its community partners through the East Dunbartonshire Economic Partnership (EDEP), continues to make progress across several strategic workstreams, contributing to the national vision outlined in the National Strategy for Economic Transformation (NSET), of achieving a 'Wellbeing Economy' for Scotland by 2032. Significant progress has been made in 2023 for delivering the Economic Recovery Plan (ERP), and its four priority areas: Business, People, Community, and Environment. Key actions addressing the immediate impacts of the COVID-19 pandemic have been completed, and efforts are ongoing to implement initiatives aimed at strengthening local economic resilience in the longer term. Simultaneously, collaboration with local authorities has continued for the delivery of the Glasgow City Region Economic Strategy (GCRES).

Following the approval of East Dunbartonshire's Circular Economy Strategy in March 2023, the Council and its partners have begun implementing actions across three key themes: Council Services; Businesses and Social Enterprises; and Communities. Relevant progress includes the development of a brand for circular initiatives and the creation of a website compiling accessible information and resources for residents and businesses. Work is also underway for the preparation of a Circular Schools Guide, which will provide practical advice to help schools reduce waste and adopt sustainable practices. Engagement with partners and internal services is ongoing to support medium and long-term delivery of the strategy, alongside monitoring the progress of the Circular Economy Bill, expected to be adopted later in 2024.

Aligned with these efforts, the Council has also been actively engaging with the Community Wealth Building (CWB) agenda. This approach has been adopted by the Scottish Government as a means to achieving a wellbeing economy by growing the influence communities have on the local economy in their area, and ensuring communities receive more of the benefits from the wealth they help to generate. In May 2023, the Council submitted a response to a government consultation on the potential introduction of a legislation on CWB. This response highlighted existing local efforts aligned with the approach, while emphasising the need for clear guidance, tools, and resources to support implementation.

In February 2023, the Scottish Government adopted the National Planning Framework 4 (NPF4), which sets out a spatial strategy for Scotland to 2045. NPF4 sets out 33 National Planning Policies under three themes: Sustainable Places; Liveable Places; and Productive Places, recognising the interlinked nature of environmental, social and economic dimensions to achieve sustainable development.

As required by planning legislation, East Dunbartonshire Council has begun preparing its next Local Development Plan (LDP3), which will outline land use and planning ambitions for the next 20 years. The first step in this process is the development of an Evidence Report, compiling strategic data and community inputs to inform future planning proposals. The first phase of public engagement took place during December 2023 and January 2024, including an online survey, drop-in sessions, a workshop, and an online information session. These activities explored strategic questions around business and employment, and the feedback received highlighted the relevance of employment land, connectivity and vibrant town and village centres for economic and community wellbeing. Future stages of evidence gathering will follow with NPF4's policy structure, addressing key economic topics, such as: Brownfield, Vacant and Derelict Land & Empty Buildings; Zero Waste; Local Living and 20-Minute Neighbourhoods; Community Wealth Building; Business & Industry; City, Town, Local & Commercial Centres; Retail; Rural Development; Tourism; and Culture & Creativity.

Looking ahead, work is expected to begin in the second half of 2024 to prepare a new Economic Development Strategy. This strategy is expected to provide an up-to-date strategic policy framework to guide economic action in East Dunbartonshire, aligning and localising the priorities established by the National Strategy for Economic Transformation, the Glasgow City Region Economic Strategy, and emerging guidance on the Wellbeing Economy and Community Wealth Building.

## Child Poverty

Child poverty is a complex and multi-faceted issue. The Child Poverty (Scotland) Act 2017 sets ambitious income-based targets for reductions in child poverty across Scotland by 2030. The Scottish Government published Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026. The Scottish Government set ambitious targets to reduce child poverty in Scotland, including a goal to reduce the child poverty rate to 18% by 2023-2024. Efforts to address child poverty in Scotland include initiatives such as the Scottish Child Payment, which provides financial support to low-income families with children.

East Dunbartonshire Council, in partnership with Greater Glasgow & Clyde Health Board had produced a report and action plan for 2022-23. The plan outlines the strategies and targets to address child poverty and create a fairer East Dunbartonshire. The implementation of the delivery plan focuses on key areas including data and monitoring, income support, affordable housing, education and skills, health and well-being and empowering communities. The partnership aims to achieve significant reductions in child poverty rates, ensuring that all our children in East Dunbartonshire have equal opportunities to thrive and reach their potential, regardless of their socio-economic background. The outcomes are reviewed and monitored across partners, and will be reported alongside the progress of Locality Plans.

## Wellbeing

Following the safe return of staff to the workplace, we continue our commitment to ensuring a holistic approach to managing absence and well-being through line managers. This includes supervision meeting, performance development reviews and the targeted provision of training.

Work continues to promote wellbeing across the Council to improve employee health and wellbeing in conjunction with the Council's wellbeing approach. Continuous review and promotion of the Council's Employee Zone Wellbeing page ensures staff are aware of the resources available which include monthly updates to reflect health and wellbeing campaigns taking place throughout the year.

Council membership and participation at the SPDS Wellbeing Portfolio and Absence Portfolio groups continues to provide a platform to support benchmarking and best practice.

Focus continues around supporting the Mental Wellbeing of our employees through the proactive promotion of the Employee Assistance Programme, 'Time for Talking' counselling service, which in addition to a counselling service provide a wide range of wellbeing resources. This includes questionnaires, podcasts along with a monthly Wellbeing Times newsletter. In addition there are fitness tips, recipes, help with setting monthly goals and a daily journal, and the continued promotion of Able Futures a confidential, no cost advice and guidance service provided by a mental health specialist. This is delivered in partnership with the Department for Work & Pensions along with the HSE Workplace Stress Risk Assessment.

In conjunction with Scotwest Credit Union, Financial wellbeing is a central theme ensuring support and guidance is available to staff due to the effects of the rising cost of living with planned financial awareness sessions being offer for all staff.

Supporting a proactive approach for musculoskeletal conditions through the Council's physiotherapy and osteotherapy referral service supporting employees to remain at work and/or facilitate an earlier return to work in conjunction with health and safety initiatives/workplace risk assessments to ensure a safe working environment for all employees.

Ongoing collaboration with our occupational health provider to ensure early intervention to support the management of employees to remain at work or achieve a supported return to work at the earliest opportunity.

Our Health and Safety team offer a range of advice to support employee wellbeing which include operational guidance on safe systems of work, fire safety and risk assessments in the workplace, along with leading on health surveillance of staff on aspects such as Hand Arm Vibration (HAVS) and Audiometry.

Development of a multi-agency group, which aims to support people in the region who are affected by trauma, whether due to a recent one-off event or Adverse Childhood Experiences (ACEs). Through the East Dunbartonshire ACEs Trauma Collaborative (EDATC), the aim is to learn more about trauma and its effect on people and how they respond to certain behaviours and situations, we hope to create a trauma informed community in East Dunbartonshire.

The Council has a number of policies which supports and underpins Wellbeing, providing support and guidance and the introduction of the Family Leave and Flexible Working policies support a variety of options to support the wellbeing of our staff.

The introduction of the Moodle e-learning hub also supports a range of wellbeing courses available to all staff i.e. How to support yourself and others with mental health, Menopause, talk about mental health, tackling mental health stigma and discrimination.

### *Climate Change & Sustainability*

In 2023/24 there has been significant progress in a number of sustainability workstreams. The evidence and options stage of Climate Action Plan (CAP) has been completed and Council agreed a corporate net zero target of 2036 for Scope 1 and 2 emissions and 2045 for all other emissions, including those in the East Dunbartonshire area as a whole, in September 2023. A Programme Plan has been prepared for the development of the Draft CAP and the following sections have been drafted: Context; Baseline; Net Zero Framework; the Policy, Strategy & Plan Directory; and a section for each of the eight themes to allow a Draft CAP to be taken to Council in 2025, prior to public consultation.

The Draft CAP will align with and build on various other key local agendas including the Sustainability and Climate Change Framework, corporate Carbon Management Plan, Local Biodiversity Action Plan, Green Network Strategy, Open Space Strategy, Active Travel Strategy, Local Housing Strategy, Greenspace Strategy and Circular Economy Strategy. Sustainability also continues to be integrated into policy-making on an organisation-wide scale, through measures such as Strategic Environmental Assessment.

Work is continuing on the preparation of the Local Heat & Energy Efficiency Strategy (LHEES). Following completion of the evidence work, the Draft LHEES will be prepared and brought to Council in September 2024 with public consultation to be carried out subject to Council approval.

An update report on the Council's Sustainability and Climate Change Framework (SCCF) and Carbon Management Plan were written and approved by PNCA committee in January 2024. Both reports required extensive engagement with a wide-range of Council services to ensure that sustainability developments and projections were based upon the most up-to-date information.

Similarly, reports on the statutory Public Bodies Climate Change Duty Report 2022/23 and Carbon Management Plan Report 2022/23, were approved by the PNCA Committee on 9 November 2023. The two reports provided an analysis of emissions data from the Duty Report, an analysis of emissions reductions in key areas of Council activities (built assets, fleet, waste, street lighting and business mileage), an analysis of costs associated with these areas, high-level projections of future costs and an outline of the potential pace of decarbonisation. The Public Bodies Climate Change Duty Report was submitted to Scottish Government in advance of the deadline of the 30th of November 2023.

A key finding from the data and analysis include that the Council's emissions dropped 12% in 2022/23 compared to the financial year of 2021/22 due predominantly to continued decarbonisation of the grid, a significant reduction in the amount of waste going to landfill, gas boiler replacements and a warmer winter reducing demand for gas to heat buildings.

Delivery of the Community Carbon Literacy Training Programme is underway. A total of 32 people underwent accredited Community Carbon Literacy Training in 2023/24 in addition to 7 people who attended the online introductory session. Planning has commenced for the delivery of the next round of training with 108 more spaces will be being available in the next round. Feedback from the first delivery session has been collected and regular meetings are being held with Keep Scotland Beautiful to continuously improve the training.

Input was provided to support the completion of the Environmental Sustainability Plan for the City Deal Team including up-to-date sustainability legislation, means of ensuring compliance with the Council's net zero targets, heat network opportunities, the need for a peatland management plan and habitats management plan and broader sustainability considerations. Input was also provided for other City Deal work including options for the A803 Corridor Improvements, Westerhill Masterplan and Bishopbriggs Town Centre Regeneration.

An outline of the Scottish Government's consultation on proposals for a Heat in Buildings Bill and recommended Council responses was approved by PNCA committee in January 2024. The response, including amendments from PNCA committee, was submitted to Scottish Government.

A technical note on Scottish Government proposals for EPC reform was drafted, including proposed responses to the consultation, and shared with elected members. The responses was submitted to the Scottish Government in early October 2023.



A technical note explaining key points on the Scottish Government's consultation on National Adaptation Plan 3 was prepared with proposed Council responses. The technical note will be distributed in April 2024 to allow any feedback from elected member to be incorporated into the Council's response before it is submitted to Scottish Government.

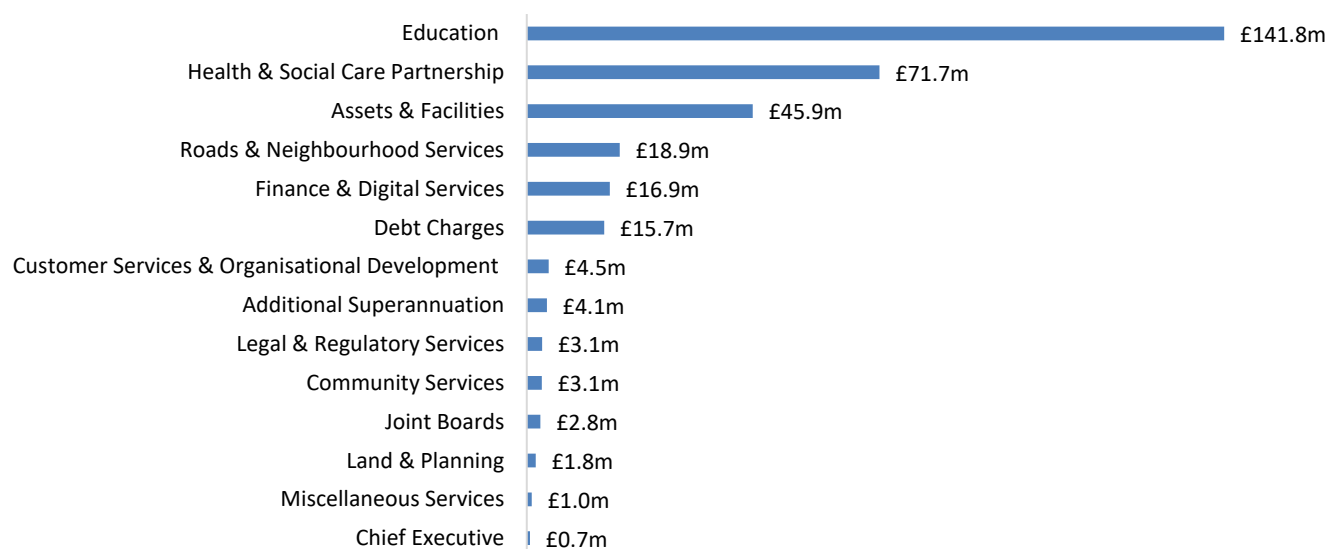
Work continued on the development of an Active Travel Strategy. This is being overseen by the Transport Working Group and is exploring options for promoting behaviour change, connectivity corridors, active travel neighbourhoods and potential improvements to the walking and wheeling network. Input was also provided by the Sustainability Team to workshops and meetings on the Strathclyde Partnership for Transport's Regional Active Travel Strategy and a range of Sustainable Scotland Network workshops including on the Climate Intelligence Service.

Quarterly Climate Action Plan Newsletters were produced, shared with subscribers and added to the Council's website including for Spring 2024, Winter 2023/24, Autumn 2023 and Summer 2023.

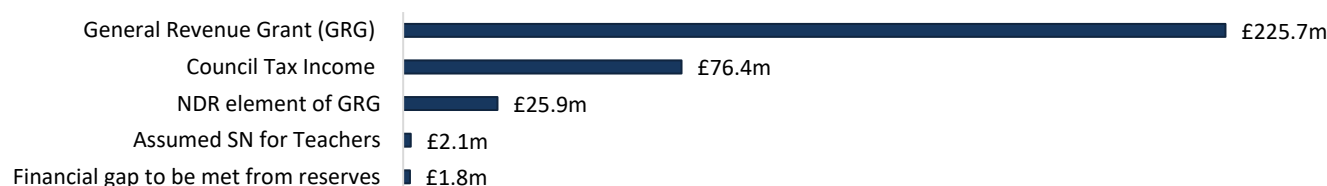
### Budget 2024/25

The Council's 2024/25 budget has an assessed financial gap of £1.840m, with some late adjustments still to be added. Based on current events, past experiences and expectations that the Local Government settlement would be challenging, several options were tabled to close the gap including recovery planning, fiscal flexibilities, a review of existing grant schemes and use of reserves. The reported 2024/5 budget allocated across Executive Officers is shown below, with this being the basis for reports to the Council's Policy and Resources Committee. Within Council services, the reduction in funding comes at a time of sustained cost pressures and demographic demands on our services.

#### Service Budgeted Spend 2024/25 (£m)



#### Funding Budgeted Income 2024/25 (£m)



Despite such challenges, Council performance has largely been sustained during which time services have been reshaped to provide a more efficient and effective model of delivery. The Council continues to anticipate demand pressures alongside ongoing financial austerity, sustained reductions in funding and increased cost pressures.

## ***7. Other Significant Information***

### ***a) Sickness Absence***

The average number of working days per employee lost through sickness absence for teachers was 7.4 days (2022/23 5.1 days). For all other local government employees, the average was 15.4 days (2022/23 13.4 days).

### ***b) Personal Data Incidents***

The Council had sixty-one recognised data protection breaches during 2023/24, none of which were reportable.

### ***c) Register of Interests***

A Register of Interests for each Councillor is available on the Council's website. This information is available for public inspection at the Council's headquarters: 12 Strathkelvin Place, Kirkintilloch G66 1TJ.

## Annual Governance Statement

### What we are responsible for

East Dunbartonshire Council is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards, that public money is safeguarded, properly accounted for and used in an economic, efficient and effective way. The Council is committed to addressing any governance issues identified and to keeping arrangements under review.

To meet our responsibility, we have put in place proper arrangements for overseeing what we do. These arrangements form the basis of our governance framework, which is intended to make sure that we do the right things, in the right way, for the right people, in good time, and in a fair, open, honest and accountable way.

The Council has a *Code of Corporate Governance*, which it continues to apply. The Code is prepared in accordance with the CIPFA/SOLACE (Chartered Institute of Public Finance & Accountancy/Society of Local Authority Chief Executives) publication '*Delivering Good Governance in Local Government*' and is aligned to its six constituent core principles of good governance. This Annual Governance Statement explains how the Council reviews the effectiveness of these arrangements and delivers good governance.

### The governance framework

Key features of the governance framework are set out in the following paragraphs.

#### 1. Purpose, Outcomes & Vision

The Council's purpose and outcomes form a consistent thread through its Strategic Planning and Performance Framework. Key corporate objectives cascade from the vision of: 'working together to achieve the best with the people of East Dunbartonshire' through the Local Outcome Improvement Plan (LOIP) to its strategic and local outcomes and priorities. With a continued commitment to this vision, at its meeting in June 2022, Council agreed a renewed approach to the Council's strategic planning and performance framework, 'East Dunbartonshire Forward in Partnership'. To deliver the Council's strategic priorities, service delivery priorities and operational arrangements will be designed to deliver the services that local communities need and that those services are accessible in those communities. This approach recognises that a 'one-size fits all approach' is not appropriate and that a flexible and tailored approach is needed to achieve the varying needs, priorities, and outcomes across the diverse range of communities throughout East Dunbartonshire.

The Council's strategic priorities for 2022 - 2027 were categorised within the following themes:

- Health & Well-being
- Access to Services
- Finance and Employment
- Community and Environment

With finite resources, prioritisation of services and activities will be critical. This is a long-term approach which acknowledges continuing funding challenges against a backdrop of increasing pressures and greater demand for services. It also recognises the impact of demographic change and the national policy agenda. It demonstrates that transformation and innovation will necessarily continue to be key to the delivery of the Council's - and its communities - priority outcomes. Demonstrating the Council's clear commitment to the Community Empowerment (Scotland) Act, this approach also acknowledges the Participatory Budgeting Charter for Scotland and the importance of public engagement.

The Council's revised Operating Models seeks to introduce Locality Based Models known as Neighbourhood Communities. Importantly, this approach is aligned to East Dunbartonshire's Local Outcomes Improvement Plan (LOIP), recognising the key role played by the Community Planning Partnership. The LOIP will be reviewed through a cost-of-living lens, ensuring priorities are relevant and incorporate performance monitoring and reporting demonstrating the impact in relation to reducing inequality and poverty, against measurable indicators.

The LOIP sets out the outcomes that all Community Planning partners aim to achieve with the people of East Dunbartonshire. It acts as the core plan for everything the Council does; and it is, in essence, the delivery plan for community planning in East Dunbartonshire. The LOIP also sets out how the East Dunbartonshire Community Planning Partnership contributes to the Scottish Government's key objectives through its sixteen national



outcomes. The LOIP includes a set of guiding principles, and all partners are directed to consider these principles in their approaches. The principles include Best Value, prevention and early intervention, co-production and engagement, and fair and equitable services. This demonstrates our commitment to involving communities at the earliest point to ensure transparency in decision making, and to maximise the impact of our efforts through inclusive approaches.

Our LOIP covers a 10-year period with the current period being 2017-27. Local outcomes are measured through a consistent set of long and short-term indicators, aligned to the needs of our people and communities and reflecting the social, economic, health and environmental challenges of the area. In updating the LOIP, the Community Planning Partnership is carrying out a rigorous analysis of local needs and engaging widely across all our communities. This is enabling us to identify the specific issues that affect people and communities across East Dunbartonshire and will help us plan what we want to achieve over the decade and detail how we will expect to get there.

## 2. Common Purpose, Clear Functions and Roles

The Council provides a clear statement of roles and responsibilities through its Administrative Scheme. This was revised and approved at Council in September 2023. The Contract Standing Orders were last updated in March 2022 and will be updated at the same time as Financial Regulations and Property Standing Orders following implementation of the Council's new financial management system. Officers will keep the Administrative Scheme under review and provide regular updates to ensure that it reflects current arrangements including decision-making, organisational structures and strategic responsibilities.

The Council has continued to enhance and strengthen its internal control environment through updating and introducing new policies and procedures throughout the course of the year. The Scheme of Delegation sets out the remit of and the extent of delegations made to Committees and Officers, under the principle that decisions should be made at the most appropriate level, consistent with the nature of the issues involved. The Council also has Financial Regulations and Standing Orders relating to contracts and property in place and all of these procedural documents are regularly reviewed.

The business of the Council is determined through the relationship between Officers and Members. Both Elected Members and the Officers as employees are servants of the public and they are indispensable to one another. However, their responsibilities are distinct. Elected Members determine policy and are responsible to the electorate for a finite term of office. Employees, as officers of the Council, undertake operational activity within that policy and are responsible to the Council. An Officer's role is to give advice to Elected Members and to the Council, and thereafter to carry out the Council's work under the direction and scrutiny of the Council and its Committees.

## 3. Promoting Values

The Council complies with and supports elected members to comply with the *Ethical Standards in Public Life etc. (Scotland) Act 2000*, which provides a framework to encourage and, where necessary, enforce high ethical standards in public life. The 2000 Act established the Standards Commission for Scotland and the post of Chief Investigating Officer and the Councillors' Code of Conduct, which provides the principles and rules governing the conduct of councillors across all of Scotland.

The Council promotes values and demonstrates the values of good governance through upholding standards of conduct and behaviour. The Council has an established Code of Conduct for both its employees and Elected Members, which is a written statement of good practice and convention. The Statement aims to clarify roles and responsibilities and to establish accepted behaviour and practices. It also aims to enhance and maintain the integrity of local government and demands high standards of personal conduct. In support of this, the Council continues to require members of its Senior Management Team and any other officer (including those employed by key partners) with a significant role in the operation of the Council and the services that it delivers, and/or a position of influence within the Council, to complete and maintain a Register of Interests.

In 2023/24, the Council continued to develop its counter-fraud activities, in accordance with the CIPFA publication *'Code of Practice on Managing the Risk of Fraud and Corruption'*, taking a zero-tolerance approach to fraud. The Corporate Fraud Team continues to undertake proactive investigative work with a focus on areas of risk including Council Tax Reduction, Single Person Discount, Housing Tenancy, School Placing Requests, Blue Badges and Licensing.

## 4. *Developing Capability & Capacity*

The Council seeks to ensure that Members and Officers have the skills, knowledge, experience, and resources they need to perform well in their roles. This includes developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group. The Council looks to encourage talent so that best use can be made of individuals' skills and resources in balancing continuity of service alongside the need for service redesign.

As part of the 'East Dunbartonshire Forward in Partnership' approach approved by Council in June 2022, 'The Organisation & Workforce for the Future' paper was approved. This outlined the strategy and transformative agenda for developing the organisation and workforce of the future to enable Council to respond to current and future challenges and to ensure it is aligned to deliver Council's strategic priorities.

As mentioned at Section 1, the Council is developing a locality-based model. In reconsidering the workplace, processes and skills for the future required for a locality-based approach, it is essential to look at the interdependencies with:

- Workforce Planning in its widest sense,
- Evolution of services required,
- Assets that services will be delivered from,
- Processes and infrastructure that support service delivery,
- Supports to enable maximum fulfilment of services; and
- Council impact on Climate Change and Sustainability.

In the delivery of a Locality Based Model, the organisational design principles will be based on the foundations of a 'Matrix' organisation where specialist services are delivered to customers directly. A Matrix organisation focuses upon multiple relationships, based on the concept that horizontal relationships across the organisation are just as important as the hierarchical reporting relationships within a more traditional organisation.

The design and development of Locality Based Models within a Matrix Organisation requires an extensive programme of transformative development. Continued emphasis is placed on the Digital Data and Technology roles alongside the Transformative Agenda to ensure capacity and planning assumptions have resourcing strategies to deliver.

The Council's Digital Strategy 2019 recognised how digital technology has changed the way we live and work. With new emerging technologies and the opportunities these bring, the opportunities for Council services also increases and the Council must be agile enough to adapt rapidly to the changing needs of our citizens and employees. The pace of change is such that opportunities become endless which makes the prioritisation of the strategic direction of the organisation and the role of digital development critical.

The principles of our approach place the employee at the heart of service delivery, recognising the contribution and value that they bring to deliver on behalf of communities and citizens. Our Workforce Planning processes continue to recognise the changing role of employees as the Council transforms and take account of the characteristics of roles evolving and future requirements.

The principles of Smart Working have been refreshed in the 'East Dunbartonshire Forward in Partnership' approach. At the heart of the approach as an employer but also central to Smart Working for the Future is employee wellbeing. Employee wellbeing policies continue to apply regardless of work location. The need to ensure that the wellbeing of employees is managed carefully but promptly continues.

The Council's approach to Workforce and Skills Planning considers the linkage to revised delivery models, skills, competencies, and specialist knowledge required to deliver successfully taking account of demographics and succession planning principles.

Training needs analysis continues across all services, based on service roles and taking account of priorities and future requirements. Delivery through e-learning solutions continues to feature as a priority with opportunities through collaboration and sharing. The Elected Member development programme continues to be progressed and a new rolling programme of Elected Member briefings and workshops for specific topics and issues is currently

under development. As part of this Members will be invited to suggest topics where new or additional training would be beneficial.

## 5. Informed & Transparent Decision Making

The Council establishes its processes and controls to be rigorous and transparent about how decisions are taken and to listen and act on the outcome of constructive scrutiny. This includes having good quality information, advice and support to ensure that services are delivered effectively and are what the community wants and needs. The Council also has a well-developed risk management policy and strategy with Corporate and Service Risk Registers providing support and assurance that risk exposures are known and managed. In addition, the committee report template includes links to the LOIP, requires that key impacts are articulated succinctly, and sets out key risks and any mitigating actions. The Council and each standing Committee also receives an outstanding business statement as part of the agenda for each meeting. This provides Members with an update of outstanding decisions and actions taken to implement these and enables ongoing scrutiny and assurance of performance against decisions.

The Council is committed to and promotes a fair, transparent and inclusive decision-making culture that supports the delivery of its vision. These commitments are reflected in the decision-making structures, which provide clarity of purpose through the Administrative Scheme including individual terms of reference and committee composition with business being conducted through an established cycle of meetings. Wherever possible, the Council conducts its business in public to ensure transparency and accountability. Where a Report contains information which is exempt from publication then all reasonable steps are taken to ensure that it is only that 'exempt' information which is withheld.

The Council's Audit & Risk Management Committee provides an appropriate forum through which audit and scrutiny activity can be reported and directed. This includes considering audit work relating to systems, processes, governance arrangements and Best Value but also considering performance against LOIP objectives, transformational activities and co-ordinating activities for the Scrutiny Panels. Furthermore, the Committee also considers external reports where they have a direct significance to, and implications for, the Council.

## 6. Engaging with Local People & Stakeholders

The Council seeks to engage effectively with local people and all local stakeholders including partnerships, and to develop constructive accountability relationships. The Council takes an active and planned approach to dialogue with, and accountability to, the public. This helps to ensure effective and appropriate service delivery whether directly by the authority, in partnership, or by commissioning.

East Dunbartonshire Council has a statutory duty of Community Planning under *Community Empowerment (Scotland) Act 2015*. Community Planning places a statutory duty on a range of national, regional and local organisations to plan in partnership for their local area and, in doing so, reduce inequality of outcomes across their communities. Community Planning is about a range of national, regional and local organisations working together to plan and provide for the wellbeing of individual communities. The Council has an established Community Planning Partnership Board whose remit is to:

- set the strategic priorities and direction for partnership working in East Dunbartonshire,
- agree the East Dunbartonshire Local Outcome Improvement Plan,
- review performance in implementation of the Local Outcome Improvement Plan,
- approve the remit of the Community Planning Executive Group,
- review the work of the Community Planning Executive Group and the Local Outcome Delivery Groups, and
- ensure full and active engagement of all partners and the wider community.

At a high level, this includes engaging with the community on areas such as development of Locality Plans, the Local Development Plan and the future development of partnership engagement strategy. A comprehensive review of the Place/Localities Plans has been completed and the four Plans were approved during 2023, including actions and indicators to demonstrate impact in relation to key priorities.

The Council's Consultation and Engagement process connects with local people and communities in a wide range of ways to seek their views on the performance of our services and to identify what our strategic priorities should be, in order that we can plan, resource and deliver our services effectively to meet local need. The Council's Consultation and Engagement Strategy 2021-24 supports all consultation and engagement activity, seeking to ensure consistency of approach across all strategic areas. The strategy strengthens the approach to annual action plans and reporting on the outcomes of engagement activity. An area-wide budget consultation exercise was again



undertaken in 2023, which sought community input into budget and income generating priorities for 2024 and beyond. The outcomes of the budget engagement process were used to help inform decisions by Council on its priorities for 2024/25. The Council, in partnership with its Community Planning Partners, continues to engage with its communities, with a particular emphasis on our most vulnerable areas within Twechar, Hillhead and Harestanes, Lennoxtown and Auchinairn, with the aim of working together with local people to regenerate these areas more effectively.

The *Public Bodies (Joint Working) (Scotland) Act 2014* required the establishment of an 'integration authority' to deliver nationally agreed outcomes for health and social care. The Act aims to integrate health and social care services by delegating the planning, commissioning and oversight of a range of health services and adult social care. In East Dunbartonshire, this is achieved via a separate legal body, known as East Dunbartonshire Health and Social Care Partnership (HSCP). The delegated services include adult social care and children's services. East Dunbartonshire Council has delegated the relevant portion of the Council budget to the HSCP, who in turn directs the Council to provide a range of specified Council services.

## 7. CIPFA Governance Guidance

The Chief Finance Officer is a member of the Council's Senior Management Team and as such, is integral in all major decisions taken by the Council, and in material matters which are submitted to Councillors for decision. This involvement fulfils the expectation of CIPFA in terms of the role of the Chief Financial Officer.

Internal audit carried out an assessment in 2022/23 against the recently published CIPFA Financial Management Code (the Code) and an action plan was developed to enhance compliance. Since then, the Chief Finance Officer has completed the actions raised by auditors and carried out an additional self-assessment. No further actions were identified as a result of this self-assessment and so the Council considers itself to be compliant with the Code.

## 8. Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The review of effectiveness is informed by: the work of the Corporate Management Team and the Executive Officers of the Council who have responsibility for the development and maintenance of the governance environment, the Audit & Risk Manager's Annual Report, and comments made by the external auditors and other review agencies and inspectorates.

During 2023/24, the Council continued to put in place appropriate management and reporting arrangements to enable it to be satisfied that its approach to corporate governance is both appropriate and is effective in practice. Specifically, the Council's governance arrangements have been reviewed against the requirements of the CIPFA/SOLACE Framework. Whilst this process of review is co-ordinated corporately and approved by the Corporate Management Team, Executive Officers have a responsibility to ensure their own governance arrangements are adequate and operating effectively. In line with the CIPFA/SOLACE Framework, each Executive Officer is required to make an annual statement confirming that this is the case. For 2023/24, these Executive Officer disclosures confirm the adequacy and effective operation of corporate governance arrangements and financial controls. These assurances extend to include audit actions which are in progress with further detail provided at section 10 (b) below.

Based on Internal Audit work completed in 2023/24 in accordance with Public Sector Internal Audit Standards (PSIAS), the Audit & Risk Manager has concluded that the Council's internal control procedures were generally found to operate as intended, with reasonable assurance being provided on the integrity of Council controls. A number of recommendations have been made by the internal audit team in 2023/24 in order to improve controls further across the Council, and action plans developed with management to address the risks identified. The main areas that the internal audit team highlighted as requiring further improvement are included in section 10 (c) below.

The level of assurance provided by the internal audit team can never be absolute. This reflects the sample nature of the work carried out, the relative scope and objectives of audit assignments and those explanations offered, and evidence provided by officers. In addition, factors external to the audit process including human error, collusion or management overriding controls, highlight the potential for systems historically highlighted as being satisfactory to become exposed to risk or loss.

A number of national and local reports have been issued during the financial year and these have been evaluated as part of the internal audit opinion above.

## 9. Assurances Provided

The Council's Audit & Risk Manager provides Internal Audit services to the HSCP. The constitution of the Health & Social Care Partnership requires that a set of Annual Accounts be prepared in accordance with relevant Accounting Codes and these include their own Annual Governance Statement.

East Dunbartonshire Council has provided assurances to the HSCP that an adequate and effective system of internal control is in place.

In addition, the Council has received funding from Glasgow City Region – City Deal, for City Deal capital projects. The Audit & Risk Manager has provided assurance to Glasgow City Region over this expenditure, through a formal opinion. This opinion states that the Council's procedures around governance and financial control are operating adequately and that there are no significant matters which require to be raised which would have a material impact on the Glasgow City Region Annual Assurance Statement for financial year 2023/24.

## 10. Governance Improvement Plans

The system of governance (including the system of internal control) provides reasonable assurance that assets are safeguarded; that transactions are authorised and properly recorded; that material errors or irregularities either are prevented or would be detected within a timely period; and that significant risks impacting on the achievement of our strategic priorities and outcomes have been mitigated. In completing the review of governance arrangements in the current year, the following have been noted for inclusion as part of the ongoing governance improvement plan:

### a) External Scrutiny

Over the course of the year, the Council has received reports through our Local Area Network of scrutiny bodies including Mazars, our external auditors. Specific engagement will continue to be carried out with the Scottish Housing Regulator (SHR) in the area of homelessness, which continues to be a nationwide topic of focus for the SHR in 2024/25 and also on continued progression towards full compliance with Electrical Installation Condition Reports requirements.

### b) Internal Audit Work

Further to the completion of the internal audit work for 2023/24, and following up on previously raised internal audit actions, the Internal Audit Team highlighted contract management as requiring further improvement and actions relating to Cyber security as being in progress. New risks identified were identified in 2023/24 with regards to HSCP delegated responsibilities relating to controls around interim care home funding arrangements and the framework for authorising and paying social care providers. Progress is being made towards mitigating risks in these areas; however, these risks will continue to be kept under review, with auditors monitoring compliance with the agreed actions as part of a six-monthly cycle, and progress being reported to the Audit & Risk Management Committee.

The following risks were highlighted in the previous year's governance statement have now been addressed as follows:

- A detailed plan to ensure compliance with documented procedures for Memorials and Headstones inspections is now in place and an external contractor has been appointed.
- Data risks associated with the use of personal mobile phones by trade operatives has been addressed by the provision of Council devices to relevant staff.

### c) Best Value

The Council has a statutory duty and policy commitment to secure Best Value under the *Local Government in Scotland Act 2003*. The Council articulates its ongoing commitment to Best Value and continuous improvement a Strategic Planning and Performance Framework, which provides a clear roadmap from our strategic priorities to our operational activity. The framework identifies how our day-to-day activities feed into the delivery of the agreed outcomes and guiding principles of the East Dunbartonshire Local Outcomes Improvement Plan (LOIP). The effectiveness of the Council's approach and ongoing work to demonstrate Best Value are assessed by external auditors and reported to the Accounts Commission on an annual basis.

Comparing our performance with that of other Councils is a key factor in ensuring Best Value and the most recent benchmarking data available highlights that we are a high performing Council, with the majority of our benchmarking indicators remaining within the top two quartiles of Scottish Local Authorities. The Council's Performance Team provided detailed outturn analysis on the Local Government Benchmarking Framework data, with the analysis informing our annual Public Performance Report.

#### **d) Public Performance Reporting**

Effective performance management and reporting is key to ensuring that we know we are achieving our LOIP objectives and associated strategic priorities. Performance reporting for 2025/26 will continue to be on a monthly basis via technical note to elected members and reported for formal scrutiny biannually to the relevant Strategic Committee. This will ensure regular, effective scrutiny, which will be supplemented by scrutiny of performance that is undertaken via the Scrutiny Panels.

2023/24 statutory reporting deadlines were met with the publication of an annual public performance overview report linking performance to the priority outcomes and guiding principles of the LOIP. This overview report supplemented the regular in year and year-end performance reports across all service areas which are published on the Council Website. Additionally, over 2023/24 the performance team have broadened the PPR framework to include increased use of infographics and YouTube videos covering progress against LOIP outcomes with increased signposting to performance data through the Councils Social media channels.

#### **e) Scrutiny of Transformation**

At its meeting on 23 June 2022, Council agreed a revised approach to Strategic Planning and Performance 'East Dunbartonshire Forward in Partnership', which approved revised strategic priorities and a revised approach to delivering the transformative agenda, through the development of the organisation and workforce for the future, which supersedes the previous Transformation Programme. Regular updates will be provided to Council via the presentation of Strategic Planning & Performance Reports to Council.

Scrutiny Panels have met during the year, considering topics such as Refugee Resettlement and Unaccompanied Asylum-Seeking Children, the Visitor Economy, the Scottish Index of Multiple Deprivation figures, and Council Tax.

#### **f) Audit & Risk Management Committee**

The full Strategic Service Committee is chaired by the Opposition Group Leader, providing scrutiny on the Council's Audit & Risk Management activities. The functions of the Audit & Risk Management Committee are undertaken in line with best practice guidance as identified in the CIPFA publication, '*Audit Committees: Practical Guidance for Local Authorities*'. The cycle of meetings is ordinarily aligned to the six meeting cycle.

### **11. Conclusion**

We consider the governance and internal control environment operating in 2023/24 to provide reasonable and objective assurance that significant risks affecting the achievement of the principal strategic priorities and outcomes will be identified and actions taken to avoid or mitigate their impact.

A number of improvements have been identified that will further strengthen the governance arrangements and these are set out above. Systems are in place for regular review and improvement of the governance and internal control environment.

## Statement of Responsibilities for the Accounts

### The Council's Responsibilities

The Council is required to:

- make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the authority has responsibility for the administration of those affairs (section 95 of the *Local Government (Scotland) Act 1973*). In this Council, that officer is the Chief Finance Officer
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- ensure the Annual Accounts are prepared in accordance with legislation (the *Local Authority Accounts (Scotland) Regulations 2014*, and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the *Local Government in Scotland Act 2003*)
- approve the Annual Accounts for signature

### The Chief Finance Officer's Responsibilities

The Chief Finance Officer is responsible for the preparation of the Council's Annual Accounts in accordance with proper practices as required by legislation as set out in the CIPFA & Local Authority (Scotland) Accounts Advisory Committee (LASAAC) *Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Accounting Code)*.

In preparing these Annual Accounts, the Chief Finance Officer has:

- selected suitable accounting policies and applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with legislation
- complied with the Accounting Code (in so far as it is compatible with legislation)

The Chief Finance Officer has also:

- kept adequate accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities

I certify that the financial statements give a true and fair view of the financial position of the local authority (and its group) at the reporting date and the transactions of the local authority (and its group) for the year ended 31 March 2024.

.....  
**Jamie Robertson CPFA**  
**Chief Finance Officer**  
Date: 8 July 2025



## Remuneration Report

### 1. Introduction

The Remuneration Report has been prepared in accordance with the *Local Authority Accounts (Scotland) Regulations 2014*. These Regulations require various disclosures about the remuneration and pension benefits of Senior Councillors and senior employees, together with details of the Council's remuneration policy or the role it has in determining such a policy.

### 2. Remuneration of Council Leader, Provost and Senior Councillors

The remuneration of Senior Councillors is regulated by the *Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007* (SSI No. 2007/183). The Regulations provide for the grading of councillors for the purposes of remuneration arrangements as either the Leader of the Council, the Provost, Senior Councillors or Councillors. The Leader of the Council and the Provost cannot be the same person for the purposes of payment of remuneration. A Senior Councillor is a Councillor who holds a significant position of responsibility in the Council's political management structure, such as the Chair or Vice-Chair of a committee, sub-committee or board.

The Regulations permit the Council to remunerate one Leader of the Council and one Provost. For 2023/24 the Regulations set the salary for the Leader as £40,205 (2022/23 £39,148) and the maximum salary for the Provost as £30,154 (2022/23 £29,361).

The Regulations also set out the remuneration that may be paid to Senior Councillors and the total number of Senior Councillors the Council may have. The maximum yearly amount that may be paid to a Senior Councillor is 75% of the total yearly amount payable to the Leader of the Council. The total yearly amount payable by the Council for all of its Senior Councillors shall not exceed £276,392 for 2023/24 (2022/23 £269,126) and the maximum number of Senior Councillors is 11. A Senior Councillor may only be remunerated for one senior position regardless of the senior positions held. The Council is able to exercise local flexibility in the determination of the precise number of Senior Councillors and their salary within those maximum limits. A full list of remunerated positions and holders are provided in the table below.

#### Remunerated Elected Member Positions Held During the Course of the Financial Year

Position Held		01/04/2023 to 31/03/2024
Leader of the Council		G Low
Depute Leader		C Smith
Provost		G Renwick
Depute Provost		C McDiarmid
Convener:		
Audit & Risk Management		V Moody
Education		L Williamson
Place, Neighbourhood & Corporate Assets		P Ferretti
Policy & Resources Committee		G Low
Chair - Planning Board		C McNally
Chair - Licensing Board		S MacDonald
Vice Convener:		
Audit & Risk Management		S Murray
Education		I Gallagher
Place, Neighbourhood & Corporate Assets		P Marshall
Policy & Resources Committee		C Smith
Vice Chair - Planning Board		J Gibbons

The Council has a representative on the Board of NHS Greater Glasgow and Clyde and the representative receives remuneration from the National Health Service (NHS) for that position. This position was held by Councillor McDiarmid for 2023/24.

Excluding the Leader of the Council and the Provost, the additional remuneration paid to these Senior Councillors in 2023/24 totalled £276,392 (2022/23 £269,126).

The Regulations also permit the Council to pay contributions or other payments as required to the Local Government Pension Scheme in respect of those Councillors who elect to become Councillor Members of the pension scheme.

### Remuneration of Council Leader, Provost, and Senior Councillors

Total 2022/23	Councillor	Office held as at 31 March 2024	Salary and Allowances	Taxable Expenses	Total 2023/24
£			£	£	£
<b>37,030</b>	G Low	Leader of the Council, Convener	40,315	0	<b>40,315</b>
<b>26,170</b>	C Smith	Depute Leader of the Council, Vice Convener	30,237	0	<b>30,237</b>
<b>28,226</b>	G Renwick	Provost	30,237	0	<b>30,237</b>
<b>24,891</b>	V Moody	Convener	25,398	0	<b>25,398</b>
<b>22,103</b>	L Williamson	Convener	25,398	0	<b>25,398</b>
<b>23,979</b>	P Ferretti	Convener	25,398	0	<b>25,398</b>
<b>22,103</b>	C McNally	Chair of Planning Board	25,398	0	<b>25,398</b>
<b>21,337</b>	S MacDonald	Chair of Licensing Board	22,577	0	<b>22,577</b>
<b>22,154</b>	S Murray	Vice Convener	22,577	0	<b>22,577</b>
<b>19,731</b>	I Gallagher	Vice Convener	22,577	0	<b>22,577</b>
<b>19,731</b>	P Marshall	Vice Convener	22,577	0	<b>22,577</b>
<b>21,787</b>	J Gibbons	Vice Chair of Planning Board	22,577	0	<b>22,577</b>
<b>21,556</b>	A Polson	-	-	-	-
<b>2,735</b>	G Pews	-	-	-	-
<b>2,407</b>	J Goodall	-	-	-	-
<b>22,212</b>	W Hendry	-	-	-	-
<b>2,334</b>	R O'Neil	-	-	-	-
<b>2,002</b>	S Thornton	-	-	-	-
<b>2,002</b>	G McGinnigle	-	-	-	-
<b>344,489</b>			<b>315,266</b>	<b>0</b>	<b>315,266</b>

Salaries are calculated based on 365 days and paid four-weekly which can give rise to small differences in the actual payments made between financial years.

### Total Councillors' Remuneration

The total remuneration of all the Council's elected members (including Senior Councillors above) and including all business expenses is shown in the table below.

2022/23	2023/24
£	£
498,913	519,229
7,405	3,985
<b>506,317</b>	<b>523,214</b>
	<b>Total</b>

Business expenses include non-taxable expenses such as mileage and the costs met by the Council of support to members including training, travel and mobile phones. Detailed figures for these costs are on the Council's website.

## Conveners and Vice Conveners of Joint Boards

In addition to the Senior Councillors of the Council, the Regulations also set out the remuneration payable to Councillors with the responsibility of being Convener or Vice-Convener of a Joint Board, such as the Dunbartonshire and Argyll and Bute Valuation Joint Board. The Regulations require the remuneration to be paid by the Council of which the Convener or Vice-Convener is a member. The Council is also required to pay any pension contributions arising from that Councillor being a member of the Local Government Pension Scheme. Councillor Moody was Convener of the Dunbartonshire and Argyll and Bute Valuation Joint Board but received no remuneration from the Council for this role.

### 3. Pension Entitlements of Council Leader, Provost and Senior Councillors

Councillor	Office	Pension Contributions		Accrued Pension Benefits			
		Year to 31 March 2024	Year to 31 March 2023	As at 31 March 2024		As at 31 March 2023	
		£	£	Pension £000	Lump Sum £000	Pension £000	Lump Sum £000
G Low	Leader of the Council, Convener	7,781	7,147	9	2	7	2
C Smith	Depute Leader of the Council, Vice Convener	5,836	5,051	1	0	0	0
G Renwick	Provost	5,836	5,448	7	2	6	2
V Moody	Convener	4,902	4,804	9	2	8	2
L Williamson	Convener	4,902	4,266	1	0	1	0
P Ferretti	Convener	4,902	4,628	3	0	2	0
C McNally	Chair of Planning Board	4,902	4,266	1	0	0	0
S MacDonald	Chair of Licensing Board	4,357	4,108	7	2	6	2
S Murray	Vice Convener	4,357	4,276	3	0	3	0
I Gallagher	Vice Convener	4,357	3,808	1	0	0	0
P Marshall	Vice Convener	4,357	3,808	1	0	0	0
J Gibbons	Vice Chair of Planning Board	4,357	4,205	7	2	6	2
A Polson	-	-	4,160	-	-	3	0
G Pews	-	-	528	-	-	2	0
J Goodall	-	-	464	-	-	3	0
R O'Neil	-	-	450	-	-	2	0
G McGinnigle	-	-	386	-	-	2	0
<b>Total</b>		<b>60,846</b>	<b>61,803</b>	<b>50</b>	<b>10</b>	<b>51</b>	<b>10</b>

Note: Membership of the pension scheme is not compulsory

Councillors' pension benefits are based on career average pay and are provided through the Local Government Pension Scheme (LGPS). The Councillors' salaries for each year or part year ending 31 March (other than the pay in the final year commencing 1 April) is increased by the increase in the cost of living, as measured by the appropriate index (or indices) between the end of that year and the last day of the month in which their membership of the scheme ends. The total revalued pay is then divided by the period of membership to calculate the career average pay. This is then used to calculate the pension benefits. The scheme's normal retirement age for Councillors is the state pension age.

There is no longer an automatic entitlement to a lump sum; members may opt to give up (commute) pension for lump sum up to the limit set by the *Finance Act 2004*. The accrual rate guarantees a pension based on 1/49<sup>th</sup> of pensionable salary for each year of pensionable service from 1 April 2015; prior to this, different accrual rates applied, which included a lump sum.

The value of the accrued benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; and, without exercising any option to commute pension entitlement into a lump sum; and, without any adjustment for the effects of future inflation. The pension figures shown in the table above relate to the benefits that the person has accrued as a consequence of their total local government service, and not just their current appointment. The lump sum payable on retirement can alter from the prior year estimate supplied by the Strathclyde Pension Fund due to added years and commutation.

#### 4. Remuneration of Senior Employees

The salary of the Chief Executive is set by reference to national arrangements. The Scottish Joint Negotiating Committee (SJNC) for Chief Officials sets the salary scales for chief executives and chief officials of Scottish local authorities. The salaries of East Dunbartonshire's other senior employees have been evaluated using the Scottish Councils' Job Evaluation Scheme under the authority of the Chief Executive and with the assistance of an independent expert in this area. There are now 2 grades of senior employees. The Depute Chief Executives (Education, People & Business and Place, Neighbourhood & Corporate Assets) are on the scale previously set for Chief Official Grade 3, a scale from points 43 to 45. This scale was agreed at Council of 20 November 2014 and the Depute Chief Executives transitioned to their new roles as per the Special Council of 17 May 2016. The Executive Officers were subject to a pay and grading review, effective from 1 July 2017. All Executive Officers included within this report are on Grade 17, a scale from points 135 to 141. Positions in the East Dunbartonshire Health and Social Care Partnership are not included in this report as the Integration Joint Board is a separate body.

Senior employees, as defined by the *Local Authority Accounts (Scotland) Regulations 2014*, include any local authority employee:

- who has responsibility for management of the local authority to the extent that the person has the power to direct or control the major activities of the authority (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
- who holds a post that is politically restricted by reason of Section 2(1) (a), (b) or (c) of the *Local Government and Housing Act 1989*;
- whose annual remuneration, including any remuneration from a local authority subsidiary body, is £150,000 or more.

East Dunbartonshire Council include in this report, all members of the Strategic Leadership Team as the holders of key positions in the Council. Local authorities in Scotland are required by various statutes to make appointments to a number of specified offices, commonly referred to as 'statutory officers'. Where applicable, these designations have been given in square brackets:

##### Strategic Leadership Team

- Chief Executive [Head of Paid Service]
- Executive Officer - Education [Chief Education Officer]
- Executive Officer - Social Work [Chief Social Work Officer]
- Executive Officer - Finance & Digital Services, Chief Finance Officer [Section 95 Officer]
- Executive Officer - Legal & Regulatory Services [Monitoring Officer]
- Executive Officer - Assets & Facilities
- Executive Officer - Community Services
- Executive Officer - Customer Services & Organisational Development
- Executive Officer - Land, Planning & Development
- Executive Officer - Roads & Neighbourhood Services



## Remuneration of Senior Employees

2022/23 Salary, Fees & Allowances			2023/24 Salary, Fees & Allowances		2023/24 Annual Salary
£			£		£
143,922	G Cornes	Chief Executive (1)	122,890		122,890
116,681	A Davie	Depute Chief Executive, EPB (2), Chief Executive (3)	131,295		131,295
100,088	G Bremner	Interim Chief Education Officer (4), Chief Education Officer (5)	115,297		115,297
110,849	C Sinclair	Chief Social Work Officer	117,532		115,979
109,216	J Robertson	Chief Finance Officer	115,979		115,979
109,586	K Donnelly	Chief Monitoring Officer	115,979		115,979
-	A Bauer	Executive Officer – Assets & Facilities (6)	73,200		73,200
-	E Bauer	Executive Officer – Community Services (6)	67,079		67,079
-	A Fegan	Executive Officer – Customer Services & Organisational Development (7)	60,690		60,690
-	H Holland	Executive Officer – Land Planning & Development (6)	67,079		67,079
-	T McMenamin	Executive Officer – Roads & Neighbourhood Services (7)	60,690		60,690
<b>690,341</b>	<b>Totals</b>		<b>1,047,710</b>		<b>1,046,157</b>

(1) until retirement 21 January 2024, (2) until 15 December 2023, (3) from 18 December 2023, (4) until 21 November 2023, (5) from 22 November 2023, (6) from 14 August 2023, (7) from 5 September 2023

As well as salary, fees and allowances, East Dunbartonshire Council is also required to report the amount received by the senior employees above in respect of taxable expenses, compensation for loss of employment, other remuneration, bonuses and non-cash benefits. None received these types of remuneration in 2023/24 or 2022/23. Most salaries are calculated based on 365 days and are paid four-weekly which can give rise to small differences in the actual payments between financial years.

### 5. Pension Entitlements of Senior Employees

Pension benefits for most local government employees are provided through the Local Government Pension Scheme (LGPS). From 1 April 2015 this became a career average salary pension scheme, although it was a final salary scheme until that date. This means that pension benefits are based on the index-linked salary for service since 1 April 2015 and the final year's pay for membership of the scheme up until that date.

		Pension Contributions		Accrued Pension Benefits			
		Year to 31 March 2024	Year to 31 March 2023	As at 31 March 2024		As at 31 March 2023	
				Pension	Lump Sum	Pension	Lump Sum
		£	£	£'000	£'000	£'000	£'000
G Cornes	Chief Executive (1)	23,718	27,777	88	133	79	126
A Davie	Depute Chief Executive, EPB (2), Chief Executive (3)	25,340	22,321	43	14	33	10
G Bremner	Interim Chief Education Officer (4), Chief Education Officer (5)	26,487	23,020	30	76	27	69
C Sinclair	Chief Social Work Officer	22,685	21,394	47	45	42	42
J Robertson	Chief Finance Officer	22,384	21,048	40	28	34	26
K Donnelly	Chief Monitoring Officer	22,384	21,048	18	0	14	0
A Bauer	Executive Officer – Assets & Facilities (6)	14,599	-	38	24	-	-
E Bauer	Executive Officer – Community Services (6)	13,372	-	48	63	-	-
A Fegan	Executive Officer – Customer Services & Organisational Development (7)	11,624	-	40	48	-	-
H Holland	Executive Officer – Land Planning & Development (6)	13,372	-	32	10	-	-
T McMenamin	Executive Officer – Roads & Neighbourhood Services (7)	12,203	-	51	75	-	-
<b>Total</b>		<b>208,168</b>	<b>136,608</b>	<b>475</b>	<b>516</b>	<b>229</b>	<b>273</b>

(1) until retirement 21 January 2024, (2) until 15 December 2023, (3) from 18 December 2023, (4) until 21 November 2023, (5) from 22 November 2023, (6) from 14 August 2023, (7) from 5 September 2023

## 6. Local Government Pension Scheme Contribution Rates

From 1 April 2009, a five-tier contribution system was introduced with contributions from each member being based on how much pay falls into each tier. This is designed to give more equality between the costs and benefits of scheme membership. Part-time workers' contribution rates are worked out on whole-time pay rate for the job, with actual contributions paid on actual pay earned.

The tiers and members' contribution rates for 2023/24 whole time pay are as follows:	Contribution rate
On earnings up to and including £25,300	5.50%
On earnings above £25,301 and up to £31,000	7.25%
On earnings above £31,001 and up to £42,500	8.50%
On earnings above £42,501 and up to £56,600	9.50%
On earnings of £56,601 and above	12.00%

## 7. Remuneration of Other Employees

The number of Council employees, including teachers, receiving more than £50,000 remuneration for the year (excluding pension contributions) is shown in the following table. These figures would include any payments for redundancy and early retirement as part of restructuring of the Council's services but exclude senior employees shown in the table before. The figures include senior employees whose remuneration for the year exceeds that shown in the table in Section 4 as they were in an acting position. These figures include payments for redundancy and early retirement as part of restructuring of the Council's services but exclude senior employees shown in the table before.

Remuneration	No. of Employees	
	2023/24	2022/23
£50,000 - £54,999	485	201
£55,000 - £59,999	150	57
£60,000 - £64,999	158	62
£65,000 - £69,999	40	34
£70,000 - £74,999	65	7
£75,000 - £79,999	27	4
£80,000 - £84,999	8	4
£85,000 - £89,999	5	1
£90,000 - £94,999	2	2
£95,000 - £99,999	4	9
£100,000 - £104,999	3	0
£105,000 - £109,999	3	2
£110,000 - £114,999	1	1
£115,000 - £119,999	0	0
£130,000 - £134,999	1	0
£145,000- £149,999	1	0
£150,000 - £154,999	1	0
<b>Total Employees</b>	<b>954</b>	<b>384</b>

## 8. Exit Packages

The table below shows the number of employees who received exit packages in the bands indicated and the total cost of those packages in those bands. The figure includes redundancy costs, strain on the fund, lump sums, actuarial benefit of pension added years, pay in lieu and retiral awards. As required, it also includes the capitalised value of the additional contributions to be made to the pension fund. This amount is calculated actuarially and does not reflect the actual payments made in the financial year. The overall result of the exit packages is savings for the Council in future financial years. None of the departures were compulsory redundancies.

Value of Exit Packages in Bands	2023/24		2022/23	
	Number	Cost	Number	Cost
		£		£
£0 - £20,000	9	99,017	0	0
£20,001 - £40,000	4	106,963	0	0
£40,001 - £60,000	1	50,550	0	0
£60,001 - £80,000	1	71,935	0	0
£80,001 - £100,000	1	93,561	0	0
£100,001 - £150,000	1	137,977	0	0
£150,001 - £200,000	0	-	0	0
£200,001 - £250,000	3	646,149	0	0
£250,001 - £300,000	1	280,770	0	0
£300,001 - £350,000	0	-	0	0
£350,001 - £400,000	1	397,444	0	0
£400,001 - £450,000	1	435,442	0	0
<b>Total</b>	<b>23</b>	<b>2,319,809</b>	<b>0</b>	<b>0</b>

## 9. Subsidiary Entities – Remuneration and Pension Entitlement

The Council includes two subsidiary entities within its Group Accounts:

- **Mugdock Country Park Joint Management Committee** – Under the agreement between East Dunbartonshire Council and Stirling Council, East Dunbartonshire Council is the permanent employer of the staff of Mugdock Country Park and the remuneration of all staff is determined by the job evaluation process used for Council staff. Responsibility for Mugdock Country Park lies with the Chief Executive whose remuneration is disclosed under **Remuneration of Senior Employees**. Six East Dunbartonshire Councillors serve on the Joint Committee and no remuneration is received for serving.
- **East Dunbartonshire Leisure and Culture Trust** – On 1 April 2011, East Dunbartonshire Leisure & Culture Trust (EDLCT) came into operation. The most senior manager is the General Manager, M. Grant. Remuneration of EDLCT staff is determined by the job evaluation process used for Council staff. Five East Dunbartonshire Councillors serve on the board of EDLCT and no remuneration is received for serving.

The following tables show the remuneration, pension contributions and accrued pension benefits of the most senior manager of EDLCT. No employees of EDLCT or Mugdock Country Park receive remuneration of over £150,000.

	2023/24			2022/23
	Salary, Fees & Allowances	Expenses	Other Remuneration	Total Remuneration
	£	£	£	£
M Grant - General Manager	96,088	0	0	96,088

	Pension Contributions		Accrued Pension Benefits			
	Year to 31 March 2024	Year to 31 March 2023	As at 31 March 2024		As at 31 March 2023	
			Pension	Lump Sum	Pension	Lump Sum
	£	£	£'000	£'000	£'000	£'000
M Grant - General Manager	18,545	17,438	50	77	46	73

Salaries are calculated based on 365 days and paid four-weekly which can give rise to small differences in the actual payments made from one financial year to the next.

All information disclosed in the tables in this Remuneration Report will be audited by Mazars. The other sections of the report will be reviewed by Mazars to ensure they are consistent with the financial statements.

## 10. Trade Unions (Facility Time Publication Requirements) Regulations 2017

In addition to the regulations governing senior employees and councillors, the *Trade Union (Facility Time Publication Requirements) Regulations 2017*, which apply from 1 April 2017, require public sector employers to collect and publish a range of information on trade union facility time in respect of those employees who are Trade Union representatives. This information is not subject to audit. This information for 2023/24 will be available on the Council's website by 30th September 2024.



## Principal Financial Statements of Single Entity

The Annual Accounts summarise the Council's transactions for the year, its year end position at 31 March 2024 and its cash flows. The Annual Accounts are prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom 2023/24* (the Code), which is based on International Financial Reporting Standards (IFRSs). Every effort has been made to use plain language; where technical terms are unavoidable they have been explained in the Glossary.

The Council presents statements in respect of:

- **Single entity accounts** – representing the transactions of the Council only (pages 42 to 92)
- **Group accounts** – where the Council has material interest in other organisations it is required by the Code to consolidate these results of the Council with its share in other entities (pages 93 to 102)

The four principal statements and their relationships are explained in more detail below:

- **Comprehensive Income and Expenditure Statement** – this shows the accounting cost in the year of providing services in accordance with International Financial Reporting Standards, rather than the amount to be funded from taxation. The Council raises taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The accounting position is shown in the Movement in Reserves Statement, as explained above, and the adjustments made between the accounting basis and the funding basis to reflect the amount available to the Council to meet future capital and revenue expenditure is disclosed at **Note 7**
- **Movement in Reserves Statement** – this shows the movement in the year on the different reserves held by the Council, analysed in to 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and 'unusable reserves' (i.e. those that the authority is not able to use to provide services but must set aside under statute and accounting regulations). The 'Surplus or (Deficit) on the Provision of Services' line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund balance and Housing Revenue Account for the purposes of setting Council Tax and dwelling rents
- **Balance Sheet** – this shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Council
- **Cash Flow Statement** – this shows the change in cash and cash equivalents of the Council during the reporting period. The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent to which cash outflows have been made for resources that are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council

**Notes to the Principal Financial Statements** provide further information in support of that disclosed in the main accounting statements and also where the materiality is such that further disclosure is merited.

**Supplementary Financial Statements** – these statements provide additional information on the Housing Revenue Account, the Council Tax Income Account, the Non-Domestic Rates Income Account, and Common Good Funds and Trust Funds.

## Comprehensive Income & Expenditure Statement

2022/23 restated				2023/24			
Gross Expend.	Gross Income	Net Expend. or (Income)		Gross Expend.	Gross Income	Net Expend. or (Income)	
£000	£000	£000		£000	£000	£000	Notes
Service Revenue Accounts:							
4,927	(171)	4,756	Chief Executive / Joint Boards / Misc.	8,085	(1,616)	6,469	
46,259	(3,522)	42,737	Assets & Facilities	48,089	(4,054)	44,035	
30,732	(2,033)	28,699	Roads & Neighbourhood Services	31,446	(2,088)	29,358	
5,306	(1,521)	3,785	Land, Planning & Development	5,223	(1,919)	3,304	
8,221	(3,573)	4,648	Community Services	6,846	(2,987)	3,859	
162,973	(16,944)	146,029	Education	167,517	(19,650)	147,867	
35,129	(13,875)	21,254	Finance & Digital Services	45,863	(14,321)	31,542	
4,488	(477)	4,011	Legal & Regulatory Services	4,317	(440)	3,877	
5,304	(172)	5,132	Customer Services & Organisational Dev.	4,848	(207)	4,641	
171,114	(94,342)	76,772	Social Work	169,205	(93,885)	75,320	
22,533	(16,190)	6,343	Housing Revenue Account	46,812	(17,527)	29,285	
496,986	(152,820)	344,166	Net Cost of Services (1)	538,251	(158,694)	379,557	EFA
	109		(Gains) / Loss on Disposal of Non-current Assets			(238)	
	109		Other Operating (Income) or Expenditure (2)			(238)	
	16,417		Interest Payable and Similar Charges			21,704	
	2,598		Pension Interest Cost/Expected Return on Pension Assets			(6,644)	27b
	(997)		Interest Receivable and Similar Income			(1,718)	16
	18,018		Financing and Investment (Income) and Expenditure (3)			13,342	
	(70,553)		Council Tax			(72,524)	
	(17,675)		Non-Domestic Rates			(24,099)	
	(206,629)		General Revenue Grant			(210,352)	
	(13,489)		Recognised Capital Grants / Contributions			(19,498)	
	(308,346)		Taxation and Non-Specific Grant Income (4)			(326,473)	
	53,947		(Surplus) or Deficit on the Provision of Services (5)			66,188	3
			{(1) + (2) + (3) + (4)}				
			Items that will not be reclassified to the (Surplus) or Deficit on the Provision of Services				
	(6,309)		(Surplus)/Deficit on the Revaluation of Property, Plant & Equipment			(38,573)	22c
	(79,930)		Remeasurement of Pensions Assets and Liabilities			34,625	27b
	(86,239)		Other Comprehensive (Income) and Expenditure (6)			(3,948)	
	(32,292)		Total Comprehensive (Income) and Expenditure {(5) + (6)}			62,240	

2022/23 Net Cost of Services figures have been restated to align to the revised organisational structure effective in 2023/24

## Movement in Reserves Statement

	Main Revenue		Capital and Other				
	General Fund Balance	Housing Revenue Balance	Capital Receipts & Capital Fund	Other Funds	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000
<b>Balance at 31 March 2023</b>	<b>49,778</b>	<b>9,298</b>	<b>2,346</b>	<b>823</b>	<b>62,245</b>	<b>357,625</b>	<b>419,870</b>
<b>Movement in reserves during 2023/24:</b>							
<b>Total Comprehensive Income and (Expenditure)</b>	<b>(42,560)</b>	<b>(23,628)</b>	<b>0</b>	<b>0</b>	<b>(66,188)</b>	<b>3,948</b>	<b>(62,240)</b>
Adjustments between accounting basis and funding basis under regulations ( <b>Note 7</b> )	10,891	23,580	1,306	0	<b>35,777</b>	(35,777)	<b>0</b>
Transfers to and from Other Statutory Reserves ( <b>Note 8</b> )	2,556	0	0	13	<b>2,569</b>	(2,569)	<b>0</b>
<b>Increase or (Decrease) in 2023/24</b>	<b>(29,113)</b>	<b>(48)</b>	<b>1,306</b>	<b>13</b>	<b>(27,842)</b>	<b>(34,398)</b>	<b>(62,240)</b>
<b>Balance at 31 March 2024 carried forward</b>	<b>20,665</b>	<b>9,250</b>	<b>3,652</b>	<b>836</b>	<b>34,403</b>	<b>323,227</b>	<b>357,630</b>
<b>Balance at 31 March 2022</b>	<b>31,694</b>	<b>10,421</b>	<b>4,631</b>	<b>818</b>	<b>47,564</b>	<b>340,014</b>	<b>387,578</b>
<b>Movement in reserves during 2022/23:</b>							
<b>Total Comprehensive Income and (Expenditure)</b>	<b>(49,342)</b>	<b>(4,605)</b>	<b>0</b>	<b>0</b>	<b>(53,947)</b>	<b>86,239</b>	<b>32,292</b>
Adjustments between accounting basis and funding basis under regulations (Note 7)	35,268	3,482	(2,285)	0	<b>36,465</b>	(36,465)	<b>0</b>
Transfers to and from Other Statutory Reserves (Note 8)	32,158	0	0	5	<b>32,163</b>	(32,163)	<b>0</b>
<b>Increase or (Decrease) in 2022/23</b>	<b>18,084</b>	<b>(1,123)</b>	<b>(2,285)</b>	<b>5</b>	<b>14,681</b>	<b>17,611</b>	<b>32,292</b>
<b>Balance at 31 March 2023 carried forward</b>	<b>49,778</b>	<b>9,298</b>	<b>2,346</b>	<b>823</b>	<b>62,245</b>	<b>357,625</b>	<b>419,870</b>

## Balance Sheet

31 March 2023

31 March 2024

£000		£000	Notes
858,065	Property, Plant and Equipment	881,874	9
3,808	Heritage Assets	3,808	10
2,924	Intangible Assets	3,759	11
4	Long-term Debtors	76	18
<b>864,801</b>	<b>Long-term Assets</b>	<b>889,517</b>	
1,340	Assets Held for Sale	1,096	12
825	Inventories	656	
26,368	Short-term Debtors	36,085	18
2,210	Prepayments	2,159	18
0	Cash and Cash Equivalents	0	
<b>30,743</b>	<b>Current Assets</b>	<b>39,996</b>	
(103,265)	Short-term Borrowing	(86,579)	16
(2,840)	Other Short-term Liabilities (PPP Contract)	(2,255)	15
(94)	Other Short-term Liabilities (Finance Leases)	(80)	25
(54,679)	Short-term Creditors	(52,883)	19
(2,024)	Cash and Cash Equivalents	(20,928)	
(27)	Provisions	(66)	20
(9,257)	Short-term Grants & Receipts in Advance	(4,609)	19
<b>(172,186)</b>	<b>Current Liabilities</b>	<b>(167,400)</b>	
(198,310)	Long-term Borrowing	(272,289)	16
(67,150)	Other Long-term Liabilities (PPP contract)	(64,895)	15
(2,820)	Other Long-term Liabilities (Finance Leases)	(2,740)	25
(28,120)	Other Long-term Liabilities (Pensions)	(54,658)	27c
(328)	Provisions	(401)	20
(6,760)	Long-term Grants & Receipts in Advance	(9,500)	19
<b>(303,488)</b>	<b>Long-term Liabilities</b>	<b>(404,483)</b>	
<b>419,870</b>	<b>Net Assets</b>	<b>357,630</b>	
62,245	Usable Reserves	34,403	21
357,625	Unusable Reserves	323,227	22
<b>419,870</b>	<b>Total Reserves</b>	<b>357,630</b>	

The unaudited annual accounts were issued on 8 July 2025.

.....  
**Jamie Robertson CPFA**  
**Chief Finance Officer**  
Date: 8 July 2025



## Cash Flow Statement

An analysis of the components of cash and cash equivalents follows the statement.

2022/23	Cashflow Categories	2023/24		Notes
		£000	£000	
53,947	<b>Net (Surplus) or Deficit on the Provision of Services</b>		66,188	CIES
	<b>Adjust for Non-Cash Movements</b>			
(35,261)	Depreciation and Impairment	(38,720)		
(4,012)	Revaluations	(30,444)		
(866)	Amortisation	(1,312)		
1,952	(Increase)/Decrease in Impairment for Bad Debts	(149)		
(11,414)	Increase/(Decrease) in Debtors	(2,236)		
(15,275)	(Increase)/Decrease in Creditors	(5,470)		
128	Increase/(Decrease) in Inventories	(169)		
(20,955)	Movement in Pension Liability	8,087		
(2,094)	Carrying Amount of Non-Current Assets Sold	(1,489)		
(28)	Other Non-Cash Transactions	(161)		
<b>(87,825)</b>		<b>(72,063)</b>		
	<b>Adjust for Items in Net Surplus or Deficit that are Investing and Financing Activities</b>			
0	Proceeds from Short-term and Long-term Investments	0		
1,270	Proceeds from Sale of PPE and Intangible Assets	421		
13,489	Other Financing and Investment Activities	19,498		
<b>14,759</b>		<b>19,919</b>		
<b>(19,119)</b>	<b>Net Cash Flows from Operating Activities</b>		<b>14,044</b>	
	<b>Investing Activities</b>			
95,320	Purchase of PPE and Intangible Assets	62,074		
(1,337)	Sale of PPE and Intangible Assets	(515)		
(8,883)	Other Receipts from Investing Activities	(2,340)		
<b>85,100</b>		<b>59,219</b>		
	<b>Financing Activities</b>			
(149,045)	Cash Receipts from Short-term and Long-term Borrowing	(190,684)		
3,413	Reducing Liabilities on Finance Leases and PPP	2,934		
100,946	Repayment of Short-term and Long-term Borrowing	133,391		
<b>(44,686)</b>		<b>(54,359)</b>		
<b>21,295</b>	<b>Net (Increase) / Decrease in Cash and Cash Equivalents</b>		<b>18,904</b>	
(19,271)	Cash and Cash Equivalents at 1 April		2,024	
<b>2,024</b>	<b>Cash and Cash Equivalents at 31 March</b>		<b>20,928</b>	

31 March 2023	Cash and Cash Equivalent	31 March 2024
£000		£000
18	Cash Held by Officers	18
(8,507)	Bank Current Accounts	(31,927)
6,465	Short-term Deposits (Temporary Investments)	10,981
<b>(2,024)</b>	<b>Total Cash and Cash Equivalents</b>	<b>(20,928)</b>

The signs in the Cash and Cash Equivalent table above are reversed from the figures in the cashflow statement to agree with the figures shown in the Balance Sheet.

## Notes to the Principal Financial Statements

### 1. Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis (EFA) is to show to Council Tax, rent and rate payers how the funding available to the Council (i.e. government grants, rents, fees and charges, Council Tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It shows how this expenditure is allocated for decision-making purposes between the Council's services. The services shown in the table below reflect the Council's organisational structure and its internal reporting of financial figures for services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2022/23 restated				2023/24		
Net Expenditure Chargeable to the General Fund and HRA Balances	Adjustments between the Funding and Accounting Basis (Note 2)	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund and HRA Balances	Adjustments between the Funding and Accounting Basis (Note 2)	Net Expenditure in the Comprehensive Income and Expenditure Statement
£000	£000	£000		£000	£000	£000
8,150	3,394	4,756	Chief Exec. / Joint Boards / Misc.	9,799	3,330	6,469
36,552	(6,185)	42,737	Assets & Facilities	41,940	(2,095)	44,035
20,168	(8,531)	28,699	Roads & Neighbourhood Services	22,767	(6,591)	29,358
2,413	(1,373)	3,786	Land, Planning & Development	2,395	(909)	3,304
3,755	(893)	4,648	Community Services	3,821	(38)	3,859
125,829	(20,199)	146,028	Education	134,906	(12,961)	147,867
16,229	(5,025)	21,254	Finance & Digital Services	18,363	(13,179)	31,542
3,174	(837)	4,011	Legal & Regulatory Services	3,731	(146)	3,877
4,311	(821)	5,132	Customer Services & Org Dev.	4,574	(67)	4,641
71,026	(5,746)	76,772	Social Work	74,629	(691)	75,320
<b>291,607</b>	<b>(46,216)</b>	<b>337,823</b>	<b>General Fund</b> (Management Commentary Table 2)	<b>316,925</b>	<b>(33,347)</b>	<b>350,272</b>
(2,371)	(8,714)	6,343	Housing Revenue Account	(1,702)	(30,987)	29,285
<b>289,236</b>	<b>(54,930)</b>	<b>344,166</b>	<b>Net Cost of Services</b>	<b>315,223</b>	<b>(64,334)</b>	<b>379,557</b>
(274,038)	16,181	(290,219)	Other Income and Expenditure	(283,506)	29,863	(313,369)
<b>15,198</b>	<b>(38,749)</b>	<b>53,947</b>	<b>(Surplus) or Deficit</b>	<b>31,717</b>	<b>(34,471)</b>	<b>66,188</b>
<b>(42,115)</b>			<b>Opening General Fund and HRA Balance</b>	<b>(59,076)</b>		
15,197			Less/Plus (Surplus) or Deficit on General Fund and HRA Balance in Year	31,717		
(32,158)			Transfers to / from Other Statutory Reserves	(2,556)		
<b>(59,076)</b>			<b>Closing General Fund and HRA Balance at 31 March (MIRS)</b>	<b>(29,915)</b>		

2022/23 General Fund figures have been restated to align to the revised organisational structure effective in 2023/24

## 2. Note to the Expenditure and Funding Analysis

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts.

Adjustments between Funding and Accounting Basis				
2023/24	Adjustments for Capital Purposes (Note 1) £000	Net change for the Pensions Adjustments (Note 2) £000	STACA (Note 3) £000	Total Adjustments £000
Chief Executive /Joint Boards / Misc.	(9)	3,339	0	3,330
Assets & Facilities	(1,547)	(548)	0	(2,095)
Roads & Neighbourhood Services	(6,394)	(199)	2	(6,591)
Land, Planning & Development	(877)	(31)	0	(908)
Community Services	(17)	(21)	0	(38)
Education	(12,662)	(317)	18	(12,961)
Finance & Digital Services	(13,006)	(173)	0	(13,179)
Legal & Regulatory Services	(9)	(137)	0	(146)
Customer Services & Organisational Dev.	(1)	(66)	0	(67)
Social Work	(648)	(351)	308	(691)
Housing Revenue Account	(30,935)	(53)	0	(30,988)
<b>Net Cost of Services</b>	<b>(66,105)</b>	<b>1,443</b>	<b>328</b>	<b>(64,334)</b>
Other Income and Expenditure	23,219	6,644	0	29,863
<b>Difference between General Fund (surplus) or deficit and Comprehensive Income and Expenditure Statement (surplus) or deficit</b>	<b>(42,886)</b>	<b>8,087</b>	<b>328</b>	<b>(34,471)</b>

- The capital adjustments in Net Cost of Services include charges for depreciation, impairment, amortisation and revaluation of non-current assets and capital expenditure charged against revenue and are detailed in **Note 7**.
- The capital costs for Other Income and Expenditure include gain/loss on disposal of non-current assets, capital grants and contributions, financing costs of capital investment and the difference between financing costs charged to the CIES and chargeable in year and are detailed in **Note 7**.
- The pensions adjustment and the STACA adjustment are separately identified in **Note 7**.

Adjustments between Funding and Accounting Basis				
2022/23	Adjustments for Capital Purposes (Note 1) £000	Net change for the Pensions Adjustments (Note 2) £000	STACA (Note 3) £000	Total Adjustments £000
Chief Executive /Joint Boards / Misc.	(9)	3,402	0	3,393
Assets & Facilities	(2,254)	(3,931)	0	(6,185)
Roads & Neighbourhood Services	(6,078)	(2,451)	(2)	(8,531)
Land, Planning & Development	(823)	(550)	0	(1,373)
Community Services	(285)	(608)	0	(893)
Education	(14,120)	(5,861)	(218)	(20,199)
Finance & Digital Services	(3,184)	(1,841)	0	(5,025)
Legal & Regulatory Services	(8)	(829)	0	(837)
Customer Services & Organisational Dev.	(3)	(817)	0	(820)
Social Work	(985)	(4,538)	(223)	(5,746)
Housing Revenue Account	(8,381)	(333)	0	(8,714)
<b>Net Cost of Services</b>	<b>(36,130)</b>	<b>(18,357)</b>	<b>(443)</b>	<b>(54,930)</b>
Other Income and Expenditure	18,779	(2,598)	0	16,181
<b>Difference between General Fund (surplus) or deficit and Comprehensive Income and Expenditure Statement (surplus) or deficit</b>	<b>(17,351)</b>	<b>(20,955)</b>	<b>(443)</b>	<b>(38,749)</b>

## Notes

### 1) 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 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

### 2) Net Change for the Pensions Adjustments

Net change for the removal of pension contributions and the addition of IAS19 *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

### 3) Other Differences

STACA adjustments: this represents the amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.



### 3. Expenditure and Income Analysed by Nature

The authority's expenditure and income is analysed as follows:

2022/23 £000	Category	2023/24 £000
<b>Expenditure</b>		
202,980	Employee benefits expenses	190,220
30,684	Employer's superannuation	34,605
225,702	Other services expenses	240,320
40,139	Depreciation, amortisation, impairment	70,476
16,417	Interest payments	21,704
109	Gain on the disposal of assets	(238)
<b>516,031</b>	<b>Total expenditure</b>	<b>557,087</b>
<b>Income</b>		
(123,219)	Fees, charges, and other service income	(129,594)
(997)	Interest and Investment income	(1,718)
(88,228)	Income from council tax, non-domestic rates, district rate income	(96,622)
(249,640)	Government grants and contributions	(262,965)
<b>(462,084)</b>	<b>Total income</b>	<b>(490,899)</b>
<b>53,947</b>	<b>(Surplus) or Deficit on the Provision of Services</b>	<b>66,188</b>

**Revenue from Contracts with Service Recipients** - The Council has examined the revenue received from contracts with service recipients as required by IFRS 15 and has determined that there are no contract assets or liabilities and that there are no factors affecting these contracts that require further disclosure. Given these circumstances, the Council considers the disclosure of fees, charges and other service income provides sufficient information for readers of the accounts regarding the nature of such revenues.

### 4. Contingent Liabilities

A contingent liability, as accounting policy in **Note 29(u)**, arises where an event has taken place that gives the Council a possible obligation the existence of which will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the benefit or obligation cannot be measured reliably.

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

Following an EU ruling that holiday pay must correspond to normal pay, including commission or other variable elements of pay such as overtime payments, a number of claims were raised against the Council. This area of employment law is still changing. Further guidance is expected in due course from current cases as to how Tribunals will approach calculation of the sums due, particularly in terms of the reference period to be used where pay fluctuates. No liability can be quantified until some of these claims have progressed and there is therefore some clarity on the amounts potentially payable.

The removal of the limitation period for historic abuse claims by the Limitation (Childhood Abuse) Scotland Act 2017 could result in a liability to the Council. The Scottish Government introduced a redress scheme in December 2021 which would provide a payment to claimants in return for a guarantee from them not to take action against the Council. The total number of any claims that may be made, the level of any settlement and the impact of the redress scheme on these are all unknown at this point and so this liability cannot be fully evaluated.

### 5. Events After the Balance Sheet Date

In June 2023 the High Court ruled in the Virgin Media Limited v NTL Pension Trustees II Limited (and others) case regarding the validity of amendments to post 6 April 1997 benefits in formerly contracted-out defined benefit pension schemes. In a judgement delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court. This ruling may have a potential future impact on the Local Government Pension Scheme benefits as the Local Government Pension scheme has made amendments since 1997 and these amendments did impact member

benefits. No adjustments have been made to the financial statements, as it is not clear if the specific circumstances of the Council's LGPS are relevant and if the Pension Fund obtained the necessary documentation to support amendments at the time. Should this be the case, the impact of the ruling has not yet been determined and would require significant investigation to quantify any potential impact on the Council's liabilities, and so is not quantifiable at this stage. No other changes to the figures that require to be reflected in the financial statements or notes were found between the closure of the unaudited accounts and the date of submission of the accounts (8 July 2025).

## 6. External Audit Costs

Fees payable to Forvis Mazars in respect of external audit services undertaken in accordance with the Code of Audit Practice in financial year 2023/24 were £0.320m (2022/23 £0.302m).

The appointed auditors, Forvis Mazars, provided no other services to the Council in the year.

## 7. Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure. The following sets out a description of the reserves that the adjustments are made against, and the 2023/24 and 2022/23 tables of adjustments follow on the next two pages:

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

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

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

**Capital Fund** - Can be used to defray any expenditure of the Council to which capital is properly applicable, or in providing money for repayment of the principal of borrowing (but not any payment of interest on borrowing), subject to the provisions of Schedule 3, Section 22 (1) of the *Local Government (Scotland) Act 1975*.

**Adjustments between Accounting Basis and Funding Basis under Regulations:**

2023/24	Usable Reserves				
	General Fund	Housing Revenue Account	Capital Receipts Reserve	Capital Fund	Movements in Unusable Reserves
	£000	£000	£000	£000	£000
<b>Adjustments primarily involving the Capital Adjustment Account:</b>					
<b>Reversal of items debited or credited to the CIES *:</b>					
Charges for Depreciation and Impairment of Non-Current Assets	25,155	10,411	0	0	(35,566)
Charges for Impairment of Assets Held for Sale	0	3,154	0	0	(3,154)
Revaluation losses on Property, Plant and Equipment	8,870	21,574	0	0	(30,444)
Revaluation losses on Assets Held for Sale	0	0	0	0	0
Amortisation of Intangible Assets	1,145	167	0	0	(1,312)
Capital grants and contributions applied	(11,510)	(7,989)	0	0	19,499
Capital/Other funds applied to fund capital expenditure	0	0	0	0	0
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	599	890	0	0	(1,489)
<b>Insertion of items not debited or credited to the CIES:</b>					
Statutory provision for the financing of capital investment	(2,936)	(354)	0	0	3,290
Capital expenditure charged against the General Fund and HRA balances	0	(4,371)	0	0	4,371
<b>Adjustments primarily involving the Capital Receipts Reserve:</b>					
Transfer of cash sales proceeds credited as part of the gain/loss on disposal to the CIES	(1,727)	0	1,727	0	0
Use of capital receipts reserve to fund capital expenditure	0	0	(421)	0	421
Transfer from the Capital Receipts Reserve to the Capital Fund	0	0	(1,306)	1,306	0
<b>Adjustments primarily involving the Financial Instrument Adjustment Account:</b>					
Amount by which finance costs charged to the CIES are different from finance costs chargeable in the year in accordance with statutory requirements	(163)	(29)	0	0	192
<b>Adjustments primarily involving the Pensions Reserve:</b>					
Amount by which pension costs calculated in accordance with the Code are different from the contributions due under the pension scheme regulations	(8,214)	127	0	0	8,087
<b>Adjustments primarily involving the Employee Statutory Adjustment Account:</b>					
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	(328)	0	0	0	328
<b>Total Adjustments</b>	<b>10,891</b>	<b>23,580</b>	<b>0</b>	<b>1,306</b>	<b>(35,777)</b>

\* CIES - Comprehensive Income and Expenditure Statement

Note 7 continued:

2022/23	Usable Reserves				
	General Fund	Housing Revenue Account	Capital Receipts Reserve	Capital Funds	Movements in Unusable Reserves
	£000	£000	£000	£000	£000
<b>Adjustments primarily involving the Capital Adjustment Account:</b>					
<b>Reversal of items debited or credited to the CIES*:</b>					
Charges for Depreciation and Impairment of Non-Current Assets	22,957	12,304	0	0	(35,261)
Charges for Impairment of Assets Held for Sale	0	0	0	0	0
Revaluation losses on Property, Plant and Equipment	3,902	0	0	0	(3,902)
Revaluation losses on Assets Held for Sale	110	0	0	0	(110)
Amortisation of Intangible Assets	840	26	0	0	(866)
Capital grants and contributions applied	(10,423)	(3,066)	0	0	13,489
Capital/Other funds applied to fund capital expenditure	0	0	0	(3,000)	3,000
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	1,416	678	0	0	(2,094)
<b>Insertion of items not debited or credited to the CIES:</b>					
Statutory provision for the financing of capital investment	(3,413)	(1,743)	0	0	5,156
Capital expenditure charged against the General Fund and HRA balances	(59)	(4,000)	0	0	4,059
<b>Adjustments primarily involving the Capital Receipts Reserve:</b>					
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the CIES.	(961)	(1,024)	1,985	0	0
Use of the Capital Receipts Reserve for capital expenditure.	0	0	(1,270)	0	1,270
Transfer from Capital Receipts Reserve to Capital Fund	0	0	(715)	715	0
<b>Adjustments primarily involving the Financial Instrument Adjustment Account:</b>					
Amount by which finance costs charged to the CIES are different from finance costs chargeable in the year in accordance with	(152)	(40)	0	0	192
<b>Adjustments primarily involving the Pensions Reserve:</b>					
Amount by which pension costs calculated in accordance with the Code are different from the contributions due under the pension scheme regulations	20,608	347	0	0	(20,955)
<b>Adjustments primarily involving the Employee Statutory Adjustment Account:</b>					
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	443	0	0	0	(443)
<b>Total Adjustments</b>	<b>35,268</b>	<b>3,482</b>	<b>0</b>	<b>(2,285)</b>	<b>(36,465)</b>

\* CIES - Comprehensive Income and Expenditure Statement

## 8. Transfers to or from Other Statutory Reserves

This note sets out the amounts set aside from the General Fund in statutory reserves established under *Schedule 3* of the *Local Government (Scotland) Act 1975* to provide financing for expenditure plans and the amounts transferred back to meet General Fund expenditure in 2023/24.

	General Fund	Housing Revenue Account	Other Statutory	
			Capital Funds	Other Statutory Funds
	£000	£000	£000	£000
<b>2023/24 TRANSFER</b>				
Service Concession Agreement	2,569	0	0	0
Transfer of funds to Central Energy Efficiency Fund	(13)	0	0	13
<b>Total Transfers 2023/24</b>	<b>2,556</b>	<b>0</b>	<b>0</b>	<b>13</b>
<b>2022/23 TRANSFER</b>				
Service Concession Agreement	32,163	0	0	0
Transfer of funds to Central Energy Efficiency Fund	(5)	0	0	5
<b>Total Transfers 2022/23</b>	<b>32,158</b>	<b>0</b>	<b>0</b>	<b>5</b>

## 9. Property, Plant and Equipment

### a) Effects of Changes in Estimates

In 2023/24, the Council made no material changes to its accounting estimates for Property, Plant and Equipment.

### b) Revaluation

The Council carries out a rolling programme which ensures that all Property, Plant and Equipment, required to be measured at current value, is revalued at least every 5 years. During 2023/24, all valuations were provided by external valuers, who are members of the Royal Institute of Chartered Surveyors (MRICS) and RICS registered valuers. Valuations were undertaken in accordance with the RICS Valuation Professional Standards (The Red Book) published in January 2014 and updated in January 2015 with regard to valuation of property assets for inclusion within the financial statements. Valuations of land and buildings are carried out in accordance with the methodologies and bases for estimation set out in the professional standards of RICS. The significant assumptions applied in estimating the values are:

- Infrastructure, community assets (except where a valuation option has been adopted) and assets under construction is measured at historic cost. All other classes of property, plant and equipment is measured at current value. Current value is the amount that would be exchanged for the asset in its existing use
- Surplus assets have been valued at level 1 of the fair value hierarchy “quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date”, which is consistent with the concept of market value
- Where there is no market-based evidence of current value, due to the specialist nature of the property and the fact the asset is rarely sold, the Council may need to estimate current value using a *depreciated replacement cost* (DRC) approach. The value of Council dwellings shall be measured using *existing use value – social housing* (EUV-SH). EUV-SH and DRC are methods of valuation that are based on current value with additional special assumptions for each of the respective methods
- Historic cost is used as a proxy for current value with regards to the valuation of vehicles, plant, furniture and equipment. Councils may elect to adopt this approach for non-property assets that have short useful lives or low values (or both)



Revaluation Cycle	Last	Next
<b>Land and Property Type:</b>		
Other Land and Buildings (Phase 1)	31/03/2022	31/03/2027
Other Land and Buildings (Phase 2)	31/03/2023	31/03/2028
Council Dwellings (incl. Lock ups)	31/03/2024	31/03/2029
Commercial & Industrial	31/03/2021	31/03/2026

Other land and buildings may also be revalued where there is evidence of a potential change in value, due to instances such as in-year capital investment or impairment. Where applicable, these properties are revalued by the Council's valuer and any change in carrying value will be reflected in the accounts as a revaluation or impairment. For example, where roofing, window replacement or structural works carried out on Council dwellings are deemed to extend the useful life of the asset but not increase the carrying value, an impairment adjustment will be made against the assets concerned.

### c) *Movements in Balance*

#### Movements in 2023/24

	Assets Under Construction	Infrastructure Assets (2)	Community Assets	Vehicles, Plant, Furniture and Equipment	Other Land and Buildings	Council Dwellings	Surplus Assets	Total Property, Plant and Equipment	PPP assets <sup>(1)</sup>
<b>Cost or Valuation</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 April 2023	48,219		4,467	50,217	437,349	262,990	484	803,726	123,739
Additions	10,223	12,409	0	4,465	17,485	11,033		55,615	1,111
Donations								0	
Revaluation increases / (decreases) recognised in the Revaluation Reserve					742		0	742	
Revaluation increases / (decreases) recognised in the Surplus/Deficit on the Provision of Services					(6,997)	(23,388)	(32)	(30,417)	
Derecognition - Disposals				(1,595)	(40)	(935)		(2,570)	0
Derecognition - Other								0	0
Assets reclassified (to)/from Held for Sale								0	0
Other reclassifications	(41,852)				41,852			0	0
<b>At 31 March 2024</b>	<b>16,590</b>		<b>4,467</b>	<b>53,087</b>	<b>490,391</b>	<b>249,700</b>	<b>452</b>	<b>827,096</b>	<b>124,850</b>
<b>Accumulated Depreciation and Impairment</b>									
At 1 April 2023	0		0	(35,469)	(14,257)	(49,706)	(2)	(99,434)	(4,326)
Depreciation charge		(5,442)		(3,485)	(16,463)	(10,172)	(4)	(35,566)	(4,329)
Depreciation written out to the Revaluation Reserve					855	36,976		37,831	
Depreciation written out to the Surplus/Deficit on the Provision of Services							6	6	
Impairment (losses)/reversals recognised in the Surplus/Deficit on the Provision of Services						(3,154)		(3,154)	
Derecognition - Disposals				1,276		45		1,321	
Derecognition - Other								0	
Other reclassifications								0	
<b>At 31 March 2024</b>	<b>0</b>		<b>0</b>	<b>(37,678)</b>	<b>(29,865)</b>	<b>(26,011)</b>	<b>0</b>	<b>(98,996)</b>	<b>(8,655)</b>
<b>Net Book Value</b>									
<b>At 31 March 2024</b>	<b>16,590</b>	<b>160,741</b>	<b>4,467</b>	<b>15,409</b>	<b>460,526</b>	<b>223,689</b>	<b>452</b>	<b>881,874</b>	<b>116,195</b>
<b>At 31 March 2023</b>	<b>48,219</b>	<b>153,774</b>	<b>4,467</b>	<b>14,748</b>	<b>423,021</b>	<b>213,356</b>	<b>482</b>	<b>858,067</b>	<b>119,413</b>

(1) Schools PPP Assets included in 'Other Land & Buildings' total.

(2) Infrastructure asset values have been disclosed in accordance with Scottish Government Finance Circular 9/2022 Statutory Over-ride – Accounting for Infrastructure Assets. The Council has applied both statutory over-rides set out in the circular, which are as follows:

- For accounting periods commencing from 1 April 2021 until 31 March 2024, a local authority is not required to report the gross carrying amount and accumulated depreciation for infrastructure assets
- For the accounting periods from 1 April 2010 to 31 March 2024, the carrying amount to be derecognised in respect of a replaced part of an infrastructure asset is to be accounted for at a nil amount, and no subsequent adjustment can be made to the carrying amount of the asset with respect to that part

The approach is set out in Note 29 Accounting Policies.

**Movements in 2022/23 Restated**

	Assets Under Construction	Infrastructure Assets (2)	Community Assets	Vehicles, Plant, Furniture and Equipment	Other Land and Buildings	Council Dwellings Restated	Surplus Assets	Total Property, Plant and Equipment	PPP assets <sup>(1)</sup>
Cost or Valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2022	77,713		4,467	47,059	368,179	245,716	1,321	744,455	123,656
Additions	52,277	9,482	0	4,600	4,972	14,160	3	85,494	83
Donations	0	0	0	0	0	0	0	0	0
Revaluation increases / (decreases) recognised in the Revaluation Reserve	0	0	0	0	6,309	0	0	6,309	0
Revaluation increases / (decreases) recognised in the Surplus/Deficit on the Provision of Services	0	0	0	0	(17,438)	0	0	(17,438)	0
Derecognition - Disposals	0	0	0	(1,442)	(2,144)	(693)	(110)	(4,389)	0
Derecognition - Other	0		0	0	0	0	0	0	0
Assets reclassified (to)/from Held for Sale	0	0	0	0	0	0	0	0	0
Other reclassifications	(81,771)	0	0	0	77,471	3,807	(730)	(1,223)	0
<b>At 31 March 2023</b>	<b>48,219</b>		<b>4,467</b>	<b>50,217</b>	<b>437,349</b>	<b>262,990</b>	<b>484</b>	<b>813,208</b>	<b>123,739</b>
<b>Accumulated Depreciation and Impairment</b>									
At 1 April 2022	(404)		0	(33,234)	(14,638)	(36,863)	(565)	(85,704)	
Depreciation charge		(5,205)		(3,293)	(14,687)	(9,901)	(9)	(33,095)	(4,326)
Depreciation written out to the Revaluation Reserve								0	
Depreciation written out to the Surplus/Deficit on the Provision of Services					13,536			13,536	
Impairment (losses)/reversals recognised in the Surplus/Deficit on the Provision of Services						(2,165)		(2,165)	
Derecognition - Disposals				1,058	1,280	16	5	2,359	
Derecognition - Other								0	
Other reclassifications	404				252		567	1,223	
<b>At 31 March 2023</b>	<b>0</b>		<b>0</b>	<b>(35,469)</b>	<b>(14,257)</b>	<b>(48,913)</b>	<b>(2)</b>	<b>(103,846)</b>	<b>(4,326)</b>
<b>Net Book Value</b>									
<b>At 31 March 2023</b>	<b>48,219</b>	<b>153,774</b>	<b>4,467</b>	<b>14,748</b>	<b>423,092</b>	<b>214,077</b>	<b>482</b>	<b>858,859</b>	<b>119,413</b>
<b>At 31 March 2022</b>	<b>77,307</b>	<b>149,497</b>	<b>4,467</b>	<b>13,825</b>	<b>353,470</b>	<b>208,132</b>	<b>756</b>	<b>807,454</b>	<b>123,656</b>

The Valuation figures for Other Land and Buildings and Council Dwellings have both been restated by £0.071 million and £0.721m respectively to ensure the 2023/24 opening balances reflect the figures recorded in the Council's asset register.

(1) Schools PPP Assets included in 'Other Land & Buildings' total.

(2) Infrastructure figures restated per Scottish Government Finance Circular 9/2022 Statutory Over-ride – Accounting for Infrastructure Assets.

**d) Depreciation**

The depreciation methods applied by the Council are disclosed separately in **Note 29** Accounting Policies within section (r) Property, Plant and Equipment.

**e) Nature of Asset Holding**

Within Other Land and Buildings there are assets that the Council does not own but which, due to the nature of agreements, accounting standards require the Council to recognise as assets within its balance sheet. The nature of these asset holdings is as follows:

Nature of Other Land and Buildings asset holdings	Owned	Shared Equity	Common Good	Finance Lease	PPP	Total - Other Land and Buildings
	£000	£000	£000	£000	£000	£000
As at 31 March 2024	335,851	1,386	4,383	2,711	116,195	460,526
As at 31 March 2023 Restated	294,887	1,386	4,566	2,840	119,413	423,092

2022/23 figures restated to remove Common Good assets in other asset categories (Community Assets, Surplus Assets, Assets Held for Sale) and for the restatement of £0.071m included in the 2022/23 figures above

**Shared Equity**

The Shared Equity Scheme is a Scottish Government initiative that aims to help people on low to moderate incomes to purchase a property. The individual(s) owns the property outright, but the interests of the Council are secured by way of a standard security on the property. The Council has shown this in its Accounts by including the value of the security within Other Land and Buildings, as a donated asset, and recognising a contribution within Capital Grants and Contributions in the year in which the security is received.

## 10. Heritage Assets

### Reconciliation of the Carrying Value of Heritage Assets Held by the Authority:

	Artworks & Exhibits	Civic Regalia	Monuments & Memorials	Total
Cost or Valuation	£000	£000	£000	£000
1 April 2023	3,054	178	576	3,808
Revaluations (to RRA)	0	0	0	0
<b>31 March 2024</b>	<b>3,054</b>	<b>178</b>	<b>576</b>	<b>3,808</b>

Cost or Valuation				
1 April 2022	3,054	178	576	3,808
Revaluations (to RRA)	0	0	0	0
<b>31 March 2023</b>	<b>3,054</b>	<b>178</b>	<b>576</b>	<b>3,808</b>

**Archives** - In keeping with Council policy (**Note 29 I**), these assets are not included in the Council's Balance Sheet. Council records preserved in the Archives include original signed minutes and accounts, high level strategies, policies and reports, statutory registers (e.g. Building Standards Register), building plans, school records, legal documents (e.g. compulsory purchase records), records of landfill and contaminated waste sites, burial registers and plans, records of civic events, corporate identity and branding. In addition, the Council preserves records of historical or research interest that have been donated by local families, businesses and organisations such as the Lion Foundry Co Ltd, J&J Hay Boatbuilders, Gartshore Estate Papers, and West of Scotland Football Club.

**Artworks and Exhibits** - Much of the Council's artwork collection is located at the Lillie Art Gallery, which houses around 450 works including paintings, prints, drawings and a small collection of sculpture and ceramics. Since the Gallery opened in 1962, the founding bequest of artworks from Robert Lillie has been developed to form a collection of Scottish art dating from the 1880s to the present day. These were revalued at 31 March 2019. There have been 81 artwork items acquired since the last valuation.

Collections include work from several of the 'Glasgow Boys' and the Scottish Colourists (including Francis Cadell and Leslie Hunter), as well as renowned works by Joan Eardley.

The Auld Kirk Museum reflects the rich history of the local area, from Roman artefacts to innovations of the 20<sup>th</sup> century, and houses around 13,000 objects that reveal the social, industrial and everyday activities of people who lived or worked in East Dunbartonshire. Some highlights of the collection are watercolour by Robert Macaulay Stevenson; counter advert for Sister Laura's Baby Food; Kirkintilloch Temperance Society cup and saucer; and a K6 red telephone kiosk.

**Civic Regalia** - The Council holds 27 chains and medals of office relating to the current and predecessor authorities. A small number of these items are worn by office bearers at ceremonial and civic events. These were also revalued at 31 March 2019.

**Listed Buildings and Scheduled Ancient Monuments** - In keeping with Council policy (**Note 29 I**) these assets are not included in the Council's Balance Sheet. The Council has numerous Scheduled Ancient Monuments within its boundaries, the most famous of which would be the Antonine Wall.

**Monuments and Memorials** - This category includes statues, bandstands, fountains as well as memorial structures. Peel Park Bandstand, Kirkintilloch, is an example of structures that are included in this category.

## 11. Intangible Assets

The Council accounts for purchased 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 software licences, warranties and internally generated assets.

The carrying amount of intangible assets is amortised on a straight-line basis over the expected life of the asset. There have been no changes to the estimated useful life of any intangible assets during the year.

The amortisation of £1.312m in 2023/24 (2022/23 £0.866m) has been charged across various services and included in the Net Expenditure of Services within the Comprehensive Income and Expenditure Statement.

2022/23	Movement in Intangible Assets	2023/24
£000		£000
<b>Balance at start of year:</b>		
8,296	Gross carrying amounts	10,085
(6,295)	Accumulated amortisation	(7,161)
<b>2,001</b>	<b>Net carrying amount at 1 April</b>	<b>2,924</b>
1,789	Purchases	2,147
(866)	Amortisation for the year	(1,312)
<b>2,924</b>	<b>Net carrying amount at end of year</b>	<b>3,759</b>
<b>Comprising:</b>		
10,085	Gross carrying amounts	12,232
(7,161)	Accumulated amortisation	(8,473)
<b>2,924</b>	<b>Total</b>	<b>3,759</b>

There are no items that are individually material to the financial statements.

## 12. Assets Held for Sale (Current)

2022/23	Transactions	2023/24
£000		£000
<b>1,513</b>	<b>Balance outstanding at start of year</b>	<b>1,340</b>
0	Additions	29
	Assets newly classified as held for sale:	
0	- Property, Plant and Equipment	0
0	Revaluation gains/(losses) reflected in Revaluation Reserve	0
(110)	Revaluation gains/(losses) reflected in Surplus or Deficit on Provision of Services	(33)
0	Impairment (losses) / reversal reflected in Surplus or Deficit on Provision of Services	0
	Assets declassified as held for sale:	
0	- Property, Plant and Equipment	0
(63)	Assets sold	(240)
<b>1,340</b>	<b>Balance outstanding at year end</b>	<b>1,096</b>

## 13. 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 PPP 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 Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

2022/23	Capital Financing Elements	2023/24
£000		£000
<b>378,060</b>	<b>Opening Capital Financing Requirement</b>	<b>470,533</b>
	<b>Capital Investment:</b>	
85,495	Property, Plant and Equipment	55,615
1,789	Intangible Assets	2,147
0	Assets Held for Sale	29
<b>87,284</b>	<b>Total Capital Investment</b>	<b>57,791</b>
	<b>Sources of Finance:</b>	
1,270	Capital Receipts	421
13,489	Government Grants and Other Contributions	19,498
3,000	Contribution from Capital Funds	0
4,059	Capital from Current Revenue	4,371
<u>21,818</u>	<u>Total Capital Receipts, Grants &amp; Other Contributions</u>	<u>24,290</u>
1,743	Loans Fund Principal Repayments	355
3,413	PPP / Finance Lease Principal Repayments	2,935
(32,163)	Service Concession Agreement (PPP)	(2,570)
<b>(5,189)</b>	<b>Total Sources of Finance</b>	<b>25,010</b>
<b>470,533</b>	<b>Closing Capital Financing Requirement</b>	<b>503,314</b>
 <b>92,473</b>	 <b>Movement in Year</b>	 <b>32,781</b>
	Explained by:	
92,473	Increase in underlying need to borrow	32,781
0	Assets acquired under PPP contracts / Finance leases	0
<b>92,473</b>	<b>Increase / (decrease) in Capital Financing Requirement</b>	<b>32,781</b>

## 14. Impairment Losses

During 2023/24, the Council incurred net impairment losses of £3.154m (2022/23 £2.165m) which were charged to the Comprehensive Income and Expenditure Statement. This comprised £3.154m for Council Dwellings (2022/23 £2.165m).

## 15. Schools Public Private Partnership

2023/24 was the fifteenth year of a thirty-year PPP contract for the construction and maintenance of six secondary schools and related facilities. The schools became operational in summer 2009, and the Council makes annual payments under the PPP agreement to InspirED Education (East Dunbartonshire) Limited who operate the PPP schools on behalf of the Council, and who are required to ensure the availability of these buildings to a pre-agreed standard. When the agreement ends in 2039, ownership of the buildings will transfer to the Council for nil consideration, and with a guarantee of no major maintenance requirements for a five-year period.

### a) Payments

The Council makes an agreed annual payment that is increased each year by inflation and can be reduced if the contractor fails to meet availability and performance standards in any year but which is otherwise fixed.



Payments remaining at 31 March 2024:	Payments for Services (incl. lifecycle maintenance)	Repayment of Liability	Finance Interest	Total
	£000	£000	£000	£000
Payable within 1 year	10,815	2,255	6,491	19,561
Payable within 2 to 5 years	49,168	8,583	24,482	82,233
Payable within 6 to 10 years	59,990	20,762	31,635	112,387
Payable within 11 to 15 years	58,637	35,550	29,898	124,085
<b>Total</b>	<b>178,610</b>	<b>67,150</b>	<b>92,506</b>	<b>338,266</b>

#### b) *Liabilities from PPP Arrangements*

Although the payments to the provider are described as unitary payments, they have been calculated to compensate the contractor for the value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed.

The liability outstanding to be paid to the contractor for capital expenditure incurred is as follows:

2022/23	Liabilities	2023/24
£000		£000
<b>73,309</b>	<b>Balance outstanding at start of year</b>	<b>69,991</b>
(3,318)	Payments during the year	(2,841)
<b>69,991</b>	<b>Balance outstanding at year-end</b>	<b>67,150</b>
<b>Included in Balance Sheet</b>		
2,841	Current (Short-term Liability)	2,255
67,150	Non-Current (Long-term Liability)	64,895
<b>69,991</b>	<b>Total</b>	<b>67,150</b>

#### c) *Property, Plant and Equipment*

The assets used to provide services at the schools are recognised on the Council's Balance Sheet. Movements in value over the year are detailed in the analysis of the movement on the Property, Plant and Equipment in **Note 9**.

#### d) *Application of PPP Service Concession Arrangement Flexibilities*

In accordance with the Council's accounting policies and Scottish Government Finance Circular 10/2022, the Council applied the permitted PPP Service Concession Arrangement (SCA) flexibility in 2022/23 on a retrospective annuity basis over 60 years. This period is considered the most appropriate as it reflects the likely useful asset life and compares to the 70 years used for buildings in the Council accounting policies (**Note 29r**). The flexibility applied is consistent with the current Loans Fund arrangements for the Council.

## 16. Financial Instruments

#### a) *Categories of Financial Instruments*

The following categories of financial instrument are carried in the Balance Sheet. All financial assets and liabilities are accounted for at amortised cost and all income, expenses, gains and losses detailed through the CIES are on that basis:

31 March 2023		Assets and Liabilities	31 March 2024	
Long-term	Current		Long-term	Current
£000	£000		£000	£000
		<b>Financial Assets:</b>		
0	0	Investments at amortised cost	0	0
4	16,075	Debtors at amortised cost	76	25,851
0	0	Cash & Cash Equivalents at amortised cost	0	0
		<b>Financial Liabilities:</b>		
		<b>Borrowings</b>		
198,310	103,265	Financial liabilities at amortised cost	272,289	86,579
		<b>Other Long-term Liabilities</b>		
69,970	2,934	PPP and finance lease liabilities at amortised cost	67,635	2,335
		<b>Creditors</b>		
6,760	63,936	Financial liabilities at amortised cost	9,500	57,496
		<b>Cash and Cash Equivalents</b>		
0	2,024	Financial liabilities at amortised cost	0	20,928

The only changes through the year are financing cash flows, such as the repayment of maturing borrowing and refinancing as required by the Council's Treasury Management Strategy and the repayment of the PPP liability.

#### b) *Income, Expense, Gains and Losses*

2022/23			Category	2023/24		
Financial Liabilities at Amortised Cost	Financial Assets at Amortised Cost	Total		Financial Liabilities at Amortised Cost	Financial Assets at Amortised Cost	Total
£000	£000	£000		£000	£000	£000
(8,953)	0	(8,953)	Interest Expense	(14,670)	0	(14,670)
(8,953)	0	(8,953)	<b>Total expense in Surplus or Deficit on Provision of Services</b>	(14,670)	0	(14,670)
0	997	997	Interest income	0	1,718	1,718
0	997	997	<b>Total income in Surplus or Deficit on Provision of Services</b>	0	1,718	1,718
(8,953)	997	(7,956)	<b>Net gain / (loss) for the year</b>	(14,670)	1,718	(12,952)

#### c) *Reclassifications and Soft Loans*

The Council did not reclassify any financial assets or liabilities between categories during the year. A soft loan is a loan made by the Council to another entity at an interest rate significantly below market interest rates. There are no 'soft' loans for consideration in 2023/24.

#### d) *Fair Values of Assets and Liabilities*

Financial assets (represented by lending and long-term debtors) and financial liabilities (represented by borrowing and long term creditors) are carried in the balance sheet at amortised cost in accordance with the accounting regulations. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- the valuation date is 31 March 2024
- the discount factor used in the Net Present Value (NPV) calculations is the comparable premature repayment rate of the same financial instrument from a comparable lender with a published market rate at the valuation date, using bid prices where applicable. A consistent approach has been applied to assets and liabilities
- for all Public Works Loan Board debt (PWLb), the premature repayment rate at 31 March 2024 has been used as the discount rate
- the fair values include accrued interest up to and including the valuation date
- there are no investments in equity instruments up to and including the valuation date

Expert professional assistance from the Council's treasury advisers has been used in the assessment of the fair values. The fair values are calculated as follows:

Carrying Amount	Fair Value	(Current and Long Term)	Carrying Amount	Fair Value
£000	£000		£000	£000
0	0	Financial assets	0	0
16,079	16,079	Debtors	25,851	25,851

The Council holds collateral as security against certain lending and debt due. This takes the form of a mortgage on a dwelling house for borrowing as "lender of last resort" to assist an owner to buy a home. The fair value of the collateral is £0.360m (2022/23 £0.360m) which is considered to be sufficient to meet the current obligations due. The Council holds no long-term investments. Short-term deposits that mature within 3 months meet the classification of Cash and Cash Equivalents and are accounted for as such; other deposits (maturity between 3 months and 1 year) are disclosed as Financial Assets.

Carrying Amount	Fair Value	(Current and Long Term)	Carrying Amount	Fair Value
£000	£000		£000	£000
301,575	307,675	Financial liabilities - borrowing	358,868	347,973
72,904	96,278	PPP and finance lease liabilities	69,970	86,304
70,696	70,696	Creditors	66,996	66,996

The fair value is higher than the carrying amount because the Council's portfolio of borrowing includes a number of financial instruments where the interest rate payable is higher than the rates available for similar borrowing at the balance sheet date. The commitment to pay interest above the current market rates increases the amount the Council would have to pay if the lender requested or agreed to early repayment of the borrowing.

Where an instrument will mature within the next 12 months, the carrying amount is assumed to approximate to fair value. Current financial liabilities are included in the above total. The long-term debtors and creditors held are deemed non-material, and the carrying amount is assumed to approximate to the fair value. Short-term debtors and creditors are carried at cost, as this is a fair approximation of their value.

## 17. Nature and Extent of Risks Arising from Financial Instruments

### a) *Management of Treasury Risk*

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

- **Credit risk** – the possibility that other parties might fail to pay amounts due to the Council
- **Liquidity risk** – the possibility that the Council might not have funds available to meet its commitments to make payments
- **Market risk** – the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates and stock market movements

The Council's management of treasury risk actively works to minimise the Council's exposure to the unpredictability of financial markets and to protect the financial resources available to fund services. The Council manages its risk by:

- a full and formal adoption of the requirements of CIPFA's Treasury Management in the Public Services: Code of Practice
- the adoption of written principles for overall risk management and rigorous observance of the written policies and procedures which cover specific areas such as interest rate risk, credit risk and investment of surplus cash
- the management of risk by a central specialist Treasury Management team, which is responsible for all treasury matters and reports directly to the Chief Finance Officer
- continuing professional development by all staff involved in treasury management in line with *TMP10 Training and Qualifications*
- the approval annually in advance of Prudential Indicators for the forthcoming three years, that includes formal limits upon the Council's overall borrowing via the Authorised and Operational Boundaries; maximum and minimum exposures to both fixed and variable rates; and restrictions upon the maturity structure of the Council's debt

## b) *Reporting to Elected Members*

Members of the Audit and Risk Management Committee receive regular reports on treasury matters. Before the start of the financial year, Members receive an Annual Treasury Management and Investment Strategy that outlines the approach to managing risk of financial instruments for the forthcoming year. Actual performance is reported in a mid-year report, including any significant variations from the strategy and updated Prudential Indicators. After the year end, and once the final accounts are complete, Members receive an Annual Treasury Report on the year's outturn performance with the outturn Prudential Indicators.

## c) *Management of Credit Risk*

Credit risk arises from the short-term lending of surplus funds to banks, building societies and other local authorities, as well as credit exposure to the Council's customers.

This risk is minimised through the Annual Treasury Management and Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, as independently assessed by the Council's treasury advisers. The Annual Treasury Management and Investment Strategy also imposes a prudent maximum sum to be invested with a particular financial institution or category of financial institutions.

For 2023/24, the following criteria applied to ensure the Council had a pool of high quality counterparties for investment:

- **Banks 1 – Good Credit Quality**

The Council will only use banks which have at least the following Fitch, Moody's and Standard & Poors credit ratings (where rated), and where the institution is non-UK, where the Sovereign has a minimum long term rating of AAA from all three agencies.

- Short-term - F1
- Long-term - A- (A minus)

UK institutions, which meet the above minimum rating criteria, can continue to be used in the event that the UK Government sovereign rating was reduced from AAA.

- **Banks 2 – Part Nationalised Banks – Lloyds Bank Group and Royal Bank of Scotland Group**

These banks can be included if they continue to be part nationalised or they meet the ratings in Banks 1 above.

- **Banks 3**

The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised where possible and maintained in an instantly accessible call account.

- **Building Societies**

The Council will use all Societies that meet the ratings for banks outlined above.

- **UK Government**

Including gilts and the Debt Management Account Deposit Facility (DMADF).

- **Money Market Funds**

Funds used will be 'AAA' rated.

- **Local Authorities**

Investments and deposits at 31 March 2024 totalling £10.600m (2022/23 £26.400m) were placed with banks and Money Market Funds, and held in sterling. All Council lending is with other bodies with triple A rating so the risk of default is negligible. This total of £10.600m was of a short-term nature and therefore classed as Cash and Cash Equivalents. The following analysis summarises the Council's potential maximum exposure to credit risk, based on experience and adjusted to reflect current market conditions:

31 March 2023	Assets	31 March 2024		
Estimated maximum exposure to default and uncollectability		Amount	Historical experience of non-payment adjusted for market conditions	Estimated maximum exposure to default and uncollectability
£000		£000	%	£000
		(A)	(B)	(A x B)
0	Deposits with banks, building societies and local authorities	10,600	0.0%	0
2,571	Customers (trade debtors excl. Council Tax)	7,710	30.23%	2,331

No credit limits were exceeded during the year. The Council expects full repayment on the due date of deposits placed with its counterparties. The Council does not generally allow credit for customers. At the balance sheet date, a sum of £7.710m (2022/23 £7.413m) was due from sundry debtor income billed to customers and housing benefit overpayments as shown in the table above. The past due amount is analysed by age in the table below. The Council has impaired this income based on its analysis of previous experience.

31 March 2023	Timescale	31 March 2024
£000		£000
4,389	Less than three months	4,593
427	Three to six months	461
749	Six months to one year	774
1,848	More than one year	1,882
<b>7,413</b>	<b>Total</b>	<b>7,710</b>

The Council will assess the risk of default on these debts during the year and make an appropriate impairment allowance at the balance sheet date. As can be seen from the table, this has been assessed at £2.3m for 2023/24 (2022/23 £2.6m), based on an assessment of sundry debtors and the Council's history of collectability within various categories of customers.

HRA Housing rent arrears of £2.933m (2022/23 £2.049m) existed at the year end. The Council has processes in place to pursue these arrears and has an impairment allowance of £2.539m (2022/23 £1.627m) to recognise the risk attached.

#### d) *Management of Liquidity Risk*

The Council has a responsive system of safeguards for the management of cash flow that seeks to ensure that cash is available as needed. The Council has ready access to borrowings from the market and the UK Treasury's Public Works Loans Board. There is no significant risk that the Council will be unable to raise finance to meet its commitments under financial instruments. The Council has secure safeguards in place to ensure that a significant proportion of its borrowing does not mature for repayment at any one time in the future to reduce the financial impact of re-borrowing at a time of unfavourable interest rates. The Council sets limits on the proportion of its fixed rate borrowing during specified periods. The Council's policy is to ensure that not more than 20% of borrowing is due to mature within any financial year through a combination of prudent planning of new borrowing and, where it is economic to do so, making early repayments. Any amendments to these policies, whether short-term or long term, require the prior approval of the Council.

The maturity analysis of financial liabilities is shown overleaf:



31 March 2023	Timescale	31 March 2024
£000		£000
103,265	Less than one year	86,579
3,000	Between one and two years	55,000
1,000	Between two and five years	1,017
16,217	Between five and 10 years	17,247
19,728	Between 10 and 15 years	19,506
7,845	Between 15 and 20 years	7,000
3,000	Between 20 and 25 years	3,000
8,319	Between 25 and 30 years	11,319
139,200	Over 30 years	158,200
<b>301,574</b>	<b>Total</b>	<b>358,868</b>
<b>Analysed as:</b>		
103,265	Current	86,579
198,309	Non-Current	272,289
<b>301,574</b>	<b>Total</b>	<b>358,868</b>

All other amounts payable by the Council for trade creditors are due to be paid in less than one year.

#### e) *Management of Market Risk*

The key area of market risk for the Council is in terms of its exposure to interest rate movements on its borrowings and investments. Changes in interest rates influence the interest payable on borrowings and on interest receivable on surplus fund invested. For example, a rise in interest rates would mean an increase in the interest charged on borrowing at variable rates and an increased cost to the taxpayer. An increase in interest rates would also mean an increase in the income received on lending at variable rates and a reduction in cost for the taxpayer.

The Council has a variety of strategies for managing the uncertainty of future interest rates and the financial impact on the Council:

- It is the policy of the Council to limit its exposure to variable rate borrowing to a maximum of 25% of what it borrows
- During periods of falling rates, and where it is economically advantageous to do so, the Council will consider the repayment and restructuring of fixed interest rate debt
- The Council takes daily advice from its specialist treasury advisers and actively monitors changes in interest rates to inform decisions on the lending of surplus funds, new borrowings and the restructuring of existing borrowings

To illustrate the impact of changes in interest rates upon the Council, the following table shows the financial effect if rates had been 1% higher at 31 March 2024, with all other variables held constant.

31 March 2023	Area of Impact	31 March 2024
£000		£000
<b>Impact on taxpayer</b>		
(267)	Increase on interest receivable on variable rate lending	(185)
<b>(267)</b>	<b>Net effect on Comprehensive Income and Expenditure Statement</b>	<b>(185)</b>
<b>Other presentational changes</b>		
31,634	Decrease in the "fair value" of fixed rate borrowing (no impact on the Surplus or Deficit in the Comprehensive Income and Expenditure Statement)	24,486

The impact of a 1% fall in interest rates would be as above but with the movements being reversed.

The Council holds a ring fenced Treasury Management Reserve within the General Fund Balance to assist with medium-term fluctuations in borrowing and interest rates.

Other areas of market risk are price risk and foreign exchange risk. The Council has no exposure to these risks through its treasury activities:

- The Council does not invest in equity shares (so called 'available-for-sale' assets) and consequently is not exposed to gains or losses arising from movements in the prices of shares
- The Council does not lend or borrow in foreign currencies and has no exposure to gains or losses arising from movements in exchange rates

## 18. Debtors and Prepayments

31 March 2023		Categories	31 March 2024		
Current	Long-term		Current		Long-term
£000	£000		£000	£000	£000
8,354	0	Central government bodies		20,439	0
6,085	0	Other local authorities		633	0
739	0	NHS bodies		411	0
229	0	Public corporations and trading funds		14	0
		External to general government:			
3,397	0	Council Tax	3,336		0
2,007	0	Non-Domestic Rates	3,180		0
7,767	4	Other Debtors	10,235		76
13,171	4	Total external to general govt.		16,751	76
<b>28,578</b>	<b>4</b>	<b>Total</b>		<b>38,248</b>	<b>76</b>

No debtors have deferred settlement terms. For impairment, significant individual balances are considered before a collective impairment of all remaining debtors on their age profile. Impairment will apply to all outstanding debt at the balance sheet date for Council Tax and all debts that are over a year past their payment date for sundry debtors. For individual impairment, the authority will consider the known financial circumstances of the debtor and the local economic environment.

## 19. Creditors

31 March 2023			Categories	31 March 2024		
Current		Long-term		Current		Long-term
Creditors	Receipts in Advance	Creditors & Receipts in Advance		Creditors	Grants & Receipts in Advance	Grants & Receipts in Advance
£000	£000	£000		£000	£000	£000
(5,448)	(7,699)	0	Central government bodies	(5,687)	(2,988)	(2,419)
(2,671)	(549)	0	Other local authorities	(4,142)	(561)	(28)
(1,726)	0	0	NHS bodies	(325)	0	0
(209)	0	0	Public corporations & trading funds	(488)	0	0
(44,625)	(1,009)	(6,760)	External to general government	(42,245)	(1,060)	(7,053)
<b>(54,679)</b>	<b>(9,257)</b>	<b>(6,760)</b>		<b>(52,887)</b>	<b>(4,609)</b>	<b>(9,500)</b>

## 20. Provisions

	Current Provisions		Long term Provisions		
	Intermission	Total	Municipal Bank	Insurance	Total
Notes	(1)	(2)	(3)		
	£000	£000	£000	£000	£000
<b>Balance at 1 April 2023</b>	<b>27</b>	<b>27</b>	<b>49</b>	<b>279</b>	<b>328</b>
Additional provisions made in 2023/24	39	39	0	73	73
Amounts used in 2023/24	0	0	0	0	0
Unused amounts reversed in 2023/24	0	0	0	0	0
<b>Balance at 31 March 2024</b>	<b>66</b>	<b>66</b>	<b>49</b>	<b>352</b>	<b>401</b>

**Notes:**

- (1) This relates to a provision for the potential outcome of outstanding equal pay claims. The detailed information in support of the provision has been updated, and based on this. There are no further costs expected than those held in the provision.
- (2) The Council has closed its Municipal Bank but has provided for future claims on balances.
- (3) An assessment of identified liabilities in respect of insurance claims outstanding against the former Strathclyde Regional Council and Strathkelvin District Council is the basis of this provision. The Council were notified of the inability for a solvent run-off of the former Municipal Mutual Insurance, and this triggered a claw back of previously settled costs, resulting in the potential for increased costs to be met by the Council in future years.

## 21. Usable Reserves

This note provides details of the balances on the reserves that form 'Usable Reserves' on the Balance Sheet.

31 March 2023	Usable Reserves	31 March 2024
£000		£000
49,778	General Fund Balance	20,665
9,298	HRA Balance	9,250
1,000	Capital Fund - HRA	1,000
1,346	Capital Fund	2,652
255	Central Energy Efficiency Fund	268
568	Vehicle Renewal & Repair Fund	568
<b>62,245</b>	<b>Total Usable Reserves</b>	<b>34,403</b>

Movements in the Council's usable reserves are detailed in the Movement in Reserves Statement. A significant proportion of the General Fund balance, shown in the Movement in Reserves Statement, has been earmarked to fund specific projects in future years.

The amounts set aside for earmarked reserves are shown in the following table:

General Fund Balances	Balance at 31/03/2022	Transfers Out 2022/23	Transfers In 2022/23	Balance at 31/03/2023	Transfers Out 2023/24	Transfers In 2023/24	Balance at 31/03/2024
	£000	£000	£000	£000	£000	£000	£000
External funding carried forward to complete projects	0	0	0	0	0	0	0
Service Commitments to ongoing projects	1,968	(1,968)	3,308	3,308	(3,308)	581	581
Job Evaluation - OP	234	(234)	0	0	0	0	0
Job Evaluation - SOM (Trust)	25	(25)	0	0	0	0	0
Winter Contingency	150	(150)	0	0	0	0	0
EU Exit	0	0	0	0	0	0	0
Funding for Covid Recovery	0	0	0	0	0	0	0
Discretionary Fund Grants	177	(177)	0	0	0	0	0
Summer School Meal Payments Shortfall	94	(94)	0	0	0	0	0
Business Support and Low Income Households	1,630	(1,630)	0	0	0	0	0
Child Bridging Payments	417	(417)	0	0	0	0	0
Self Isolation Support Grants	305	(305)	0	0	0	0	0
Cost of Living Support	1,500	(1,500)	0	0	0	0	0
Commitment to Costs of Change and Recovery	5,032	0	3,900	8,932	(6,450)	0	2,482
Commitment to budget pressures	6,970	(6,970)	24,688	24,688	(24,688)	4,579	4,579
<b>Total Earmarked Reserves</b>	<b>18,502</b>	<b>(13,470)</b>	<b>31,896</b>	<b>36,928</b>	<b>(34,446)</b>	<b>5,160</b>	<b>7,642</b>
Prudential Reserve	3,039	0	0	3,039	0	0	3,039
Treasury Management Reserve	3,289	0	0	3,289	0	0	3,289
Contingency Reserve	5,864	0	658	6,522	0	173	6,695
Uninsured Losses Reserve	1,000	(1,000)	0	0	0	0	0
<b>Total Non-Earmarked Reserves</b>	<b>13,192</b>	<b>(1,000)</b>	<b>658</b>	<b>12,850</b>	<b>0</b>	<b>173</b>	<b>13,023</b>
<b>Total General Fund Balance</b>	<b>31,694</b>	<b>(14,470)</b>	<b>32,554</b>	<b>49,778</b>	<b>(34,446)</b>	<b>5,333</b>	<b>20,665</b>

Service Commitments to Ongoing Projects – This represents the continuation of commitments matched to funding within services to ensure continuity and completion.

Commitment to Cost of Change & Recovery – Earmarked balances are included to support the future work of the Council to transform its activities to operate within a reduced financial envelope.

Commitment to Budget Pressures – Balances are earmarked to underwrite the financial gap identified at the budget to mitigate risk and ensure prudence.

## 22. Unusable Reserves

31 March 2023	Unusable Reserves	31 March 2024
<b>£000</b>		<b>£000</b>
(2,013)	Financial Instruments Adjustment Account	(1,821)
258,996	Capital Adjustment Account	218,534
136,608	Revaluation Reserve	168,690
(28,120)	Pensions Reserve	(54,658)
(7,846)	Employee Statutory Adjustment Account	(7,518)
<b>357,625</b>	<b>Total Unusable Reserves</b>	<b>323,227</b>

### a) *Financial Instruments Adjustment Account*

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the income and expenses relating to certain financial instruments and for bearing losses or benefitting from gains per statutory provisions. The Council uses the Account to manage premiums paid on the early redemption of borrowing. Premiums are debited to the Comprehensive Income and Expenditure Statement when they are incurred, but reversed out of the General Fund Balance to the Account in the Movement in Reserves Statement. Over time, the expense is posted back to the General Fund Balance in accordance with statutory arrangements for spreading the burden on Council Tax. In the Council's case, this period is the unexpired term that was outstanding on the borrowing when it was redeemed.

31 March 2023	Financial Instruments Adjustment Account	31 March 2024
<b>£000</b>		<b>£000</b>
(2,205)	<b>Balance at 1 April</b>	(2,013)
192	Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	192
<b>(2,013)</b>	<b>Balance at 31 March</b>	<b>(1,821)</b>

### b) *Capital Adjustment Account*

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for 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 (with reconciling postings from the Revaluation Reserve to convert figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and subsequent costs.

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



31 March 2023	Capital Adjustment Account	31 March 2024
<b>£000</b>		<b>£000</b>
<b>301,762</b>	<b>Balance at 31 March 2022</b>	<b>258,996</b>
<b>(32,163)</b>	Service concession arrangement	
<b>269,599</b>	<b>Balance at 1 April</b>	<b>258,996</b>
	<b>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement (CIES):</b>	
(35,261)	Charges for depreciation and impairment of assets	(38,720)
(4,012)	Valuation movements on Property, Plant and Equipment	(30,444)
(866)	Amortisation of intangible assets	(1,312)
(2,094)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(1,489)
<b>(42,233)</b>		<b>(71,965)</b>
4,656	<b>Adjusting amounts written out of the Revaluation Reserve</b>	6,491
<b>(37,577)</b>	<b>Net written out amount of the cost of non-current assets consumed in the year</b>	<b>(65,474)</b>
	<b>Capital financing applied in the year:</b>	
1,270	Use of the Capital Receipts Reserve to finance new capital expenditure	421
13,489	Capital grants and contributions credited to the CIES that have been applied to capital financing	19,499
3,000	Use of the Capital/Other funds to finance capital expenditure	0
5,156	Statutory provision for the financing of capital investment charged against the General Fund and HRA balances	3,290
4,059	Capital expenditure charged against the General Fund and HRA balance (CFCR)	4,371
	Service concession agreement	(2,569)
<b>26,974</b>		<b>25,012</b>
<b>258,996</b>	<b>Balance at 31 March</b>	<b>218,534</b>

#### c) Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are revalued downwards or impaired and the gains are lost; used in the provision of services and the gains are consumed through depreciation; or disposed of and the gains are realised.

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

31 March 2023	Revaluation Reserve	31 March 2024
<b>£000</b>		<b>£000</b>
<b>134,955</b>	<b>Balance at 1 April</b>	<b>136,608</b>
6,309	Revaluation of non-current assets not posted to the Surplus or Deficit on Provision of Services	38,573
(4,513)	Difference between fair value depreciation and historical cost depreciation	(5,915)
(143)	Accumulated gains on assets sold or scrapped	(576)
<b>136,608</b>	<b>Balance at 31 March</b>	<b>168,690</b>

#### d) 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 (CIES) 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 credit balance on the Pensions Reserve is after an asset ceiling calculation applied in 2022/23 for the first time to reflect an assumption of the minimum funding requirement relating to future service being assumed to be paid indefinitely rather than for the actuarial future lifetime of active members. The assets reflect the contributions made to the scheme to date and the returns on the investments made

using those contributions. On this basis, the credit balance is not held to represent a significant risk to the Council's finances.

31 March 2023	Pensions Reserve	31 March 2024
£000		£000
(87,095)	<b>Balance at 1 April</b>	(28,120)
247,216	Actuarial gains or (losses) on pension assets and liabilities	44,659
(167,286)	Pension asset derecognition (asset ceiling)	(79,284)
(40,132)	Reversal of items relating to net charges for retirement benefits charged to Surplus or Deficit on the Provision of Services in the CIES	(13,549)
19,177	Employer's pension contributions paid to Strathclyde Pension Fund	21,636
<b>(28,120)</b>	<b>Balance at 31 March</b>	<b>(54,658)</b>

#### e) *Employee Statutory Adjustment Account*

The Employee Statutory Adjustment Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement due but not used by 31 March. Statutory arrangements require that the impact on the General Fund Balance be neutralised by transfers to or from the Account.

31 March 2023	Employee Statutory Adjustment Account	31 March 2024
£000		£000
(7,403)	<b>Balance at 1 April</b>	(7,846)
7,403	Settlement or cancellation of accrual made at the end of the preceding year	7,846
(7,846)	Amounts accrued at the end of the current year	(7,518)
(443)	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	328
<b>(7,846)</b>	<b>Balance at 31 March</b>	<b>(7,518)</b>

## 23. Grant Income

The Council credited the following grants to the CIES in the financial years shown:

2022/23	Credited to Services (within Net Cost of Services in the CIES)	2023/24
£000		£000
13,826	Education	17,215
20,787	Social Work	19,769
12,420	Housing Benefits	12,511
2,184	Other	2,265
<b>49,217</b>	<b>Total</b>	<b>51,760</b>

## 24. Related Parties

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. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council. In this context, related parties include:

- Central Government
- Members
- Officers
- Other Public Bodies
- Entities controlled or significantly influenced by the Council

**a) Central Government**

Central government, in the form of Scottish Government, has significant influence over the general operations of the Council. It is responsible for providing the statutory framework within which the Council operates and provides the majority of its funding, particularly through General Revenue Grant (GRG) and the Non-Domestic Rate Pool (NDR). The Scottish Government also prescribes the terms of many of the transactions the Council has with other parties, e.g. Council Tax rebates.

**b) Members**

Members of the Council have direct control over the Council's financial and operating policies. The total of Members' Allowances paid in 2023/24 is shown in the Remuneration Report.

Services to the value of £2.923m (2022/23 £1.315m), were commissioned from business, charitable, community and health organisations in which seven members had an interest. Contracts were entered into in full compliance with the Council's standing orders. Grants totalling £0.005m (2022/23 £0.015m) were paid to community organisations in which one member declared an interest. Members' interests are recorded in their profiles on the Council's website.

**c) Officers**

No services were commissioned from, or grants paid to, bodies in which senior officers declared an interest.

**d) Other Public Bodies (subject to common control by Central Government)**

In accordance with Scottish Government protocols, the Council receives substantial funding in resource transfer from the NHS Greater Glasgow and Clyde, mainly in relation to the community care costs incurred as a result of the historic closure of NHS facilities. The East Dunbartonshire Health and Social Care Partnership (HSCP) went live on 3 September 2015, with the following services being delivered by the HSCP on behalf of the Integration Joint Board: Adult Community Health and Social Care Services; NHS Community Children's Services (from 11 August 2016); Children's Social Work Services (from 11 August 2016); and Criminal Justice Social Work Services.

**e) Entities Controlled or Significantly Influenced by the Council**

The Council has subsidiaries over which it has control, a joint venture that it shares control with NHS Greater Glasgow & Clyde and associate companies over which it exerts significant influence. These entities and material transactions with them in financial year 2023/24 are detailed below. Further disclosure of these entities is made within the Group Accounts. The net value of the Council's transactions with its subsidiaries is as follows:

2022/23		As at 31 March 2023		Entities	2023/24		As at 31 March 2024	
Expend.	Income	Debtor	Creditor		Expend.	Income	Debtor	Creditor
£000	£000	£000	£000		£000	£000	£000	£000
6,321	(2,744)	953	(554)	East Dunbartonshire Leisure and Culture Trust	6,703	(2,511)	1,112	(279)
323	0	0	(5)	Mugdock Country Park Joint Management Committee	353	0	0	(6)
<b>6,644</b>	<b>(2,744)</b>	<b>953</b>	<b>(559)</b>	<b>Total</b>	<b>7,056</b>	<b>(2,511)</b>	<b>1,112</b>	<b>(285)</b>

The Integration Joint Board (East Dunbartonshire Health & Social Care Partnership) managed services to a value of £95.948m (2022/23 £96.006m) on behalf of the Council. These are included in the Adult Social Care and Children & Families lines in the CIES. More information on the IJB is included in **Note 4b** of the Group Accounts.

The net value of the significant Council transactions with its associated bodies is as follows:

2022/23		As at 31 March 2023		Associated Bodies	2023/24		As at 31 March 2024	
Expend.	Income	Debtor	Creditor		Expend.	Income	Debtor	Creditor
£000	£000	£000	£000		£000	£000	£000	£000
3,817	0	315	0	Strathclyde Partnership for Transport	5,831	0	0	(157)
228	0	0	0	Strathclyde Concessionary Travel Joint Board	232	0	0	0
768	0	0	0	Dunbartonshire and Argyll and Bute Valuation Joint Board	766	0	0	0
179	0	0	0	SEEMIS LLP	170	0	0	0
86	0	0	0	Scotland Excel	89	0	0	0
68	0	0	0	Glasgow and Clyde Valley Strategic Development Planning Authority Joint Committee (Clyde Plan)	53	0	0	0
79	0	0	0	Glasgow and Clyde Valley Cabinet (City Deal)	90	0	0	0
20	0	20	0	Gateway Shared Services (Continuing Education Gateway)	20	0	0	0
1,848	0	0	(220)	Hub West Scotland Limited	2,244	0	0	(12)
<b>7,093</b>	<b>0</b>	<b>335</b>	<b>(220)</b>		<b>9,495</b>	<b>0</b>	<b>0</b>	<b>(169)</b>

## 25. Leases

### East Dunbartonshire Council as Lessor

#### Operating Leases

The Council has granted commercial leases for properties to various tenants on a range of lease terms. These arrangements are accounted for as operating leases. The rental income receivable in 2023/24 was £1.191m (£1.095m 2022/23) and is included in the Comprehensive Income and Expenditure Account. The rents receivable in future years under these non-cancellable leases are shown in the table below.

31 March 2023	Timescale	31 March 2024
£000		£000
(1,271)	Not later than one year	(1,148)
(1,381)	Later than one year and not later than five years	(1,523)
(1,018)	Later than five years	(1,384)
<b>(3,670)</b>	<b>Total</b>	<b>(4,055)</b>

### East Dunbartonshire Council as Lessee

#### Finance Lease

During 2019/20, as part of the Clyde Valley Waste Refuse collection project with another 4 councils, the Council entered into a finance lease for a waste recycling plant. The rentals payable in future years will be included in the CIES.

31 March 2023	Timescale	31 March 2024
£000		£000
94	Not later than one year	80
383	Later than one year and not later than five years	424
2,437	Later than five years	2,316
<b>2,914</b>	<b>Total</b>	<b>2,820</b>

#### Operating Leases

The Council leases vehicles on a variety of lease terms that are accounted for as operating leases. The rentals payable in 2023/24 were £0.025m (2022/23 £0.063m) and the rentals have been included in the CIES.

The future rental payments due under non-cancellable leases in future years are as shown in the following table. These figures do not include rents that are contingent upon events taking place after the lease was entered into, such as adjustments following rent reviews.

31 March 2023	Timescale	31 March 2024
£000		£000
115	Not later than one year	0
38	Later than one year and not later than five years	0
<b>153</b>	<b>Total</b>	<b>0</b>

The Council leases land and buildings that are also accounted for as operating leases. The rentals payable in 2023/24 were £0.151m and the rentals have been included in the CIES.

The future rental payments due under non-cancellable leases in future years are as shown in the following table. These figures do not include rents that are contingent upon events taking place after the lease was entered into, such as adjustments following rent reviews.

31 March 2023	Timescale	31 March 2024
£000		£000
115	Not later than one year	245
174	Later than one year and not later than five years	932
1,101	More than 5 years	918
<b>1,390</b>	<b>Total</b>	<b>2,095</b>

## 26. Pension Schemes Accounted for as Defined Contribution Schemes

Teachers employed by the Council are members of the Scottish Teachers' Superannuation Scheme (STSS), which is administered by the Scottish Public Pensions Agency (SPPA) on behalf of the Scottish Government. The Scheme provides teachers with specified benefits upon their retirement, and the Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The Scheme is technically a multi-employer defined benefit scheme and consequently the Council is not able to identify its share of the underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of these Annual Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

The Scheme is unfunded and all contributions (payable by members or employers) are paid to the Scottish Government, and the Scottish Government then meets the costs of all benefits. The Scottish Government holds a specific amount for this purpose.

In 2023/24, the Council was due to pay £17.718m in respect of teachers' retirement benefits; the employer contribution rate for teachers per the STSS was 23.0% of pensionable pay effective from 1 September 2020. The figures for 2022/23 were £14.767m and 23.0%. The Council paid over £14.905m to the Scottish Government in respect of 2023/24 contributions (2022/23 £12.546m), leaving a balance of £2.814m to be paid over at the balance sheet date (2022/23 £2.221m).

The Council is responsible for the costs of any additional benefits awarded upon early retirement outside the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis. There were no such payments in 2023/24 or 2022/23.

The employer's contributions due to be paid in the next financial year are estimated to be £5.682 million.

## 27. Defined Benefit Pension Schemes

### a) *Participation in Pension Schemes*

As part of the terms and conditions of employment of employees, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments and this needs to be accounted for and disclosed at the time the employees actually earn their future entitlement. The Council participates in the following post-employment schemes:

- **The Local Government Pension Scheme**, operated as Strathclyde Pension Fund and administered by Glasgow City Council (in accordance with the *Local Government Pension (Scotland) Regulations 1998*). This is a funded defined benefit statutory scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets. The employer's contribution rate is set by the Fund actuaries following valuation.



- **Unfunded teachers' pension schemes** were in existence prior to the Local Government Reorganisation of 1996. These are defined benefit schemes and are administered as part of the Strathclyde Pension Fund. These are unfunded schemes, meaning that there are no investment assets built up to meet the pensions liabilities and cash has to be generated to meet actual pensions payments as they eventually fall due.

#### b) *Transactions Relating to Post-employment Benefits*

The Council recognises 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. However, the charge the Council is required to make against Council Tax is based on the cash payable in the year, so the real cost of post-employment and/or retirement benefits is reversed out of the General Fund and Housing Revenue Account via the Movement in Reserves Statement.

The table below provides detail on the pension costs charged to the CIES and the General Fund Balance via the Movement in Reserves Statement. This information has been provided for the Council by the actuaries Hymans Robertson, contracted by Glasgow City Council to provide all IAS19 calculations on behalf of the authorities within the Strathclyde Pension Fund.

2022/23	Comprehensive Income and Expenditure Statement	2023/24
<b>£000</b>	<b>Cost of Services:</b>	<b>£000</b>
37,534	Current service cost	18,794
0	Past service costs (incl. curtailments)	1,399
0	(Gain)/loss from settlements	0
	<b>Financing and Investment Income and Expenditure</b>	
2,598	Net interest expense (income)	(6,644)
<b>40,132</b>	<b>Total Post-employment Benefits charged to the Surplus or Deficit on the Provision of Services</b>	<b>13,549</b>
	<b>Other Post-employment Benefits charged to Other Comprehensive Income and Expenditure</b>	
34,064	Expected return on scheme assets	(40,520)
(19,873)	Actuarial (gains) and losses arising on changes in demographic assumptions	0
(312,392)	Actuarial (gains) and losses arising on changes in financial assumptions	(22,803)
167,286	Pension asset derecognition (asset ceiling)	79,284
50,985	Other (if applicable)	18,664
<b>(79,930)</b>		<b>34,625</b>
<b>(39,798)</b>	<b>Total Post-employment Benefits charged to the Comprehensive Income and Expenditure Statement</b>	<b>48,174</b>

2022/23	Movement in Reserves Statement	2023/24
<b>£000</b>		<b>£000</b>
(40,132)	Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post-employment benefits in accordance with the Code	(13,549)
19,177	Employers' contributions payable to scheme	21,636
<b>(20,955)</b>	<b>Amount by which pension costs calculated in accordance with the Code are different from the contributions due under the pension scheme regulations</b>	<b>8,087</b>

The current service cost was provided as a total for the Council by the actuaries. The Council allocated this cost to the appropriate service divisions using an estimation technique. The technique chosen was to allocate pro rata to the pensionable pay per service division.

#### c) *Pensions Assets and Liabilities Recognised in the Balance Sheet*

The amount included in the Balance Sheet arising from the Council's obligation in respect of its defined benefit plans is as follows:

<b>Pension Assets and Liabilities</b>	<b>31 March 2023</b>	<b>31 March 2024</b>
	<b>£000</b>	<b>£000</b>
Fair Value of Employer Assets	791,448	868,221
Present Value of Defined Benefit Liability*	(652,282)	(676,309)
Pension Asset Derecognition (Asset Ceiling)	(167,286)	(246,570)
<b>Net (liability)/ asset arising from defined benefit obligation</b>	<b>(28,120)</b>	<b>(54,658)</b>
*Unfunded liabilities included in the figure for present value of liabilities:		
Unfunded liabilities for Pension Fund	31,115	31,382
Teachers' unfunded pensions	19,684	19,133
Unfunded liabilities prior to 1996 local government reorganisation	4,468	4,143
	<b>55,267</b>	<b>54,658</b>

The liabilities show the underlying commitments that the authority has in the long run to pay post-employment benefits. The net liability of £54.658m has had an impact on the net worth of the authority, resulting in a decrease of £26.538m in the Council's balance sheet position.

The figures above reflect the position at the latest formal valuation at 31 March 2024. High corporate bond yields have resulted in high accounting discount rates and these have caused a significantly lower valuation of the pension obligations compared to last year's accounts. Obligations were also reduced due to a decrease in expected longevity for pensioners. These factors would have resulted in a significant net pension asset but this has been reduced, or derecognised, by £246.570m due to an asset ceiling calculation of the extent to which the Council could recover the asset through reduced contributions. It will be seen that there are also £54.658m of unfunded liabilities in the scheme. Statutory arrangements for funding the deficit mean that the financial position of the Authority remains healthy as any deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees, i.e. before payments fall due, as assessed by the scheme actuary. This is assessed at the formal funding valuation, carried out every three years, which ensures that any future contributions are adjusted to enable future benefits to be met. The latest formal funding valuation was as at 31 March 2023 and finance is only required to be raised to cover discretionary benefits when the pensions are actually paid

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

<b>2022/23</b>	<b>Scheme Liabilities</b>	<b>2023/24</b>
<b>£000</b>		<b>£000</b>
<b>884,255</b>	<b>Opening Balance at 1 April</b>	<b>652,282</b>
37,534	Current Service Cost	18,794
24,137	Interest Cost	30,919
4,864	Contributions by Scheme Participants	5,142
	Remeasurement (gains) and losses:	
(19,873)	Change in demographic assumptions	0
(312,392)	Change in financial assumptions	(22,803)
56,620	Other experience	18,664
0	Past Service Costs / (Gains)	1,399
0	Liabilities extinguished on Settlement	0
(3,463)	Estimated Unfunded Benefits Paid	(3,746)
(19,400)	Estimated Benefits Paid	(24,342)
<b>652,282</b>	<b>Closing Balance at 31 March</b>	<b>676,309</b>

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

2022/23	Scheme Assets	2023/24
£000		£000
<b>797,160</b>	<b>Opening Balance at 1 April</b>	<b>791,448</b>
21,539	Interest Income on Plan Assets	37,563
	Remeasurement gain / (loss):	
(34,064)	Expected Rate of Return on Pension Fund Assets	40,520
4,864	Contributions by Scheme Participants	5,142
15,714	Contributions by the Employer	17,890
3,463	Contributions re Unfunded Benefits	3,746
5,635	Remeasurements - Other Experience	0
(3,463)	Unfunded Benefits Paid	(3,746)
(19,400)	Benefits Paid	(24,342)
<b>791,448</b>	<b>Closing Balance at 31 March</b>	<b>868,221</b>

The expected return on scheme assets is determined by considering the long-term future expected return for each individual class of asset at the beginning of the period i.e. as at 31 March 2023.

f) **Local Government Pension Scheme assets comprised:**

2022/23	Fair Value of Scheme Assets	2023/24
£000		£000
14,994	<b>Cash and Cash Equivalents</b>	16,095
	<b>Equities Securities:</b>	
35,505	Consumer	40,109
44,132	Manufacturing	50,036
3,961	Energy and Utilities	7,875
16,849	Financial Institutions	24,922
28,153	Health and Care	23,175
27,369	Information Technology	29,427
0	<b>Debt Securities:</b> Corporate Bonds (non investment grade)	0
194,529	<b>Private Equity</b>	207,280
65,254	<b>Real Estate:</b> UK Property	68,268
	<b>Investment Funds and Unit Trusts</b>	
262,280	Equity	299,410
91,275	Bonds	101,278
309	Commodities	346
5,082	Infrastructure	0
1,757	Other	0
	<b>Derivatives</b>	
(1)	Foreign Exchange	0
0	Other	0
<b>791,448</b>	<b>Total</b>	<b>868,221</b>

31 March 2023	Pension Fund assets by Category	31 March 2024
78%	Equities	78%
12%	Bonds	12%
8%	Property	8%
2%	Cash	2%
0%	Debt	0%
<b>100%</b>		<b>100%</b>

#### g) *Basis for Estimating Assets and Liabilities*

The Council's share of the liabilities of The Strathclyde Pension Fund is an estimated figure based on actuarial assumptions about the future and is a snapshot at the end of the financial year. The net asset has been assessed using the 'projected unit method', that estimates the pensions that will be payable in future years dependent upon assumptions about mortality rates, salary levels and so on. It should be noted that these pension disclosures also include the pension liabilities for Mugdock Country Park Management Committee, which cannot be separately identified from the actuarial valuations obtained.

The Fund's asset has been assessed by Hymans Robertson, an independent firm of actuaries, and the estimates are based on the latest full valuation of the Fund at 31 March 2024. The significant assumptions used by the actuary are shown in the tables below. This includes a sensitivity analysis for the pension obligation based on reasonably possible changes of these assumptions occurring at the reporting date.

31 March 2023	Longevity at 65 for current pensioners (years):	31 March 2024
19.4	Men	20.0
22.0	Women	22.9
31 March 2023	Longevity at 65 for future pensioners (years):	31 March 2024
20.0	Men	20.7
23.8	Women	24.7
31 March 2023	Financial assumptions	31 March 2024
3.65%	Rate of increase in employee earnings	3.50%
2.95%	Rate of increase in pensions / inflation	2.80%
4.75%	Rate for discounting scheme liabilities	4.80%

#### h) *Sensitivity Analysis*

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Sensitivities at 31 March 2023	Approximate % Increase to Employer Obligation	Approximate Monetary Amount £'000
0.1% decrease in Real Discount Rate	2%	11,130
0.1% increase in the Salary Increase rate	0%	1,430
0.1% increase in the Pension Increase rate	1%	9,882

The principle demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, it is estimated that a one-year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice, the actual cost of a one-year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

#### i) *Impact on the Council's Cash Flows*

The objectives of the Fund are to keep employer's contributions at as constant a rate as possible. The Fund has agreed a strategy to achieve a funding rate of 100% in the longer term. The Scheme is a multi-employer defined benefit plan and employers' contributions have been determined so that employee and employer rates are standard across all participating local authorities. Employer's contributions have been set at 19.3% for the three years from 1 April 2021.

The pension expense for the period to 31 March 2024 and the projected pension expense for the year to 31 March 2025 allow for the LGPS career average revenue earnings (CARE) benefit design. The figures are based on

Hymans' understanding of the provisions of the Fund and are subject to change as any changes are made to the fund.

The total employer's contributions expected to be made by the Council to Strathclyde Pension Fund in the year to 31 March 2025 is £5.682m (£17.890m to 31 March 2024).

The assumed weighted average duration of the defined benefit obligation is 17 years, effective as at the previous formal valuation as at 31 March 2023 (this is different from the mortality assumptions quoted in the table above in "Basis for Estimating Assets and Liabilities").

#### j) **Post-Employment Benefits – Joint Boards**

Local government legislation provides that local authorities have an obligation to meet the expenditure of Joint Boards of which they are constituent members. These bodies form part of the Council's Group Accounts. Consequently, East Dunbartonshire Council has additional liabilities arising from the pension deficits of:

- Dunbartonshire and Argyll and Bute Valuation Joint Board
- Strathclyde Partnership for Transport

In accordance with the accounting regulations, the Group Financial Statements include the pension liability of the above boards. Further information regarding these deficits can be found in the Annual Report and Accounts of the relevant bodies and in the Group Financial Statements.

## **28. Financial Guarantees**

As sponsoring authority, East Dunbartonshire Council has guaranteed to accept liability for any unfunded costs which may arise with regard to East Dunbartonshire Leisure and Culture Trust relating to its membership of the Local Government Pension Scheme (LGPS), administered by Glasgow City Council, should it cease to exist, withdraw from the LGPS or otherwise become unable to continue covering any unfunded liabilities with regard to the *Local Government Pension Scheme (Administration) (Scotland) Regulations 2008*, the *Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008*, the *Local Government (Transitional Provisions) (Scotland) Regulations 2008* and (if applicable) the *Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998*. As the degree of control the Council has over the Trust means it is defined as a subsidiary of the Council using the criteria for group accounts and as the Council provides most of the Trust's funding, the Council should be able to prevent any events which would require this guarantee to be met.

## **29. Accounting Policies**

### a) **General Principles**

The Annual Accounts summarise the Council's transactions for the 2023/24 financial year and its position at the year end of 31 March 2024. The Council is required to prepare Annual Accounts by the *Local Authority Accounts (Scotland) Regulations 2014*. Section 12 of the *Local Government in Scotland Act 2003* requires these 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 2023/24*, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Annual Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. The convention also assumes that the Council will continue as a going concern for the foreseeable future.

### b) **Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors**

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

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

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



### c) **Accruals of Income and Expenditure**

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

- Revenue from the sale of goods is recognised when the Council transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Council
- Revenue from the provision of services is recognised when the Council has discharged its performance obligations under its contract with the customer
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or a creditor for the relevant amount is recorded in the Balance Sheet. Where debts might 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 from contracts is recognised reflecting the transfer of goods or services to the recipient at the amount that the Council expects to be entitled to in exchange for those goods or services
- Other revenue is recognised when the Council can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Council

### d) **Business Improvement District**

A Business Improvement District (BID) scheme applies in Milngavie town centre. The scheme is funded by a BID levy paid by non-domestic ratepayers. The Authority acts as an agent under the scheme and BID transactions are not recognised in the Comprehensive Income and Expenditure Statement, and are treated as Balance Sheet items in accordance with the Code.

### e) **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 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 Balance Sheet and 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.

### f) **Charges to Revenue for Non-Current Assets**

Services and support services are debited with the following amounts to record the cost of holding non-current assets during the year:

- Depreciation attributable to the non-current assets used by the relevant service
- Revaluation and impairment losses on non-current assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- Amortisation of intangible non-current assets attributable to the service

### g) **Employee Benefits**

#### **Benefits payable during employment**

Short-term employee benefits such as wages and salaries and paid annual leave for current employees are recognised as an expense for services in the year in which employees render service to the Council. An accrual is made for the value of holiday entitlements earned by employees but not taken before the year end, which employees can carry forward into the next financial year.

## Termination benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an employment before the normal retirement date or an employee's decision to accept voluntary redundancy. Termination benefits are charged on an accruals basis to the Comprehensive Income and Expenditure Statement when the Council is demonstrably committed to providing the termination benefits.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pension Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year end.

## Post-employment Benefits

The Council participates in two formal pension schemes: the Local Government Pension Scheme, which is administered by Strathclyde Pension Fund; and the Scottish Teachers' Superannuation Scheme, administered by the Scottish Government.

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

- Attributable assets are measured at fair value at the balance sheet date, after deducting accrued expenses. Attributable liabilities are valued on an actuarial basis using the projected unit method, which assesses the future liabilities of the fund discounted to their present value. Net pension assets are recognised only to the extent that the Council is able to recover a surplus, either through reduced contributions in the future or through refunds from the scheme. Unpaid contributions to the Scheme are recorded as creditors due within one year
- For Pension charges, the change in defined benefit asset or liability is analysed and charged to the Comprehensive Income and Expenditure Statement as follows:
  - Current service cost, past service cost and gains/losses on curtailments and settlements are included in Cost of Services
  - Net interest on the net defined benefit liability is included within Financing and Investment Income and Expenditure

The nature of the teachers' scheme prevents the Council's individual share of the pension liability from being individually separated. The scheme is therefore accounted for as if it were a defined contribution scheme.

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and are accounted for using the same policies as are applied to the Local Government Pension Scheme.

## h) Events after the Reporting Period

These are events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Annual Accounts are authorised for issue. An adjustment is made to the financial statements where there is evidence that the event existed at the end of the reporting period; otherwise, the financial statements are not adjusted and, where the amount is material, a disclosure is made in the notes.

## i) Fair Value Measurement

The Council measures its assets and liabilities in accordance with *IFRS13 Fair Value Measurement*. This is particularly relevant in the following areas:

- Surplus assets are measured at fair value, applying fair value hierarchy
- Financial instruments, 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

Further detail is provided in relevant accounting policies and disclosure notes for these areas.

## j) **Financial Instruments**

### **Financial Liabilities**

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. For the majority of borrowing that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable plus accrued interest, and interest charged to the Comprehensive Income and Expenditure Statement (CIES) is the amount payable for the year according to the loan agreement.

Costs associated with debt restructuring (premiums and discounts) are credited and debited to the Financing and Investment Income and Expenditure line in the CIES in the year of repayment of original debt in line with accounting regulations. Where premiums and discounts have been charged to the CIES, Scottish Government regulations allow the impact on the General Fund Balance to be spread over future years in line with any replacement loan.

### **Financial Assets**

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. The financial assets of the Council consist of lending and debtors, are recognised in the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. For the Council's short-term deposits and most of its other lending, this means that the amount presented in the Balance Sheet is the outstanding principal receivable plus accrued interest, and interest credited to the Comprehensive Income and Expenditure Statement (CIES) is the amount receivable for the year in the loan agreement.

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

## k) **Government Grants and Contributions**

These are recognised as due to the Council when there is reasonable assurance that:

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

Amounts recognised as due to the Council are not credited to the CIES until conditions attached to the grant or contribution have been satisfied. Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. Where conditions are satisfied, the grant or contribution is credited to the relevant service (revenue grants) or Taxation and Non-specific Grant Income (capital grants). Where capital grants are credited to the CIES, they are reversed out of the General Fund Balance in the Movement in Reserves Statement.

## l) **Heritage Assets**

The Council holds and conserves heritage assets for future generations principally for their contribution to knowledge and culture. There are five main types of collections of Heritage Assets and these are held at numerous locations within the Council's boundary, unless specified below:

- Artwork & Exhibits - held at galleries and museums including Lillie Art Gallery and Auld Kirk Museum
- Archives - held at William Patrick Library and Brookwood Library
- Civic Regalia - held at Civic offices
- Memorials/Monuments
- Listed Buildings and Scheduled Ancient Monuments

As a general policy, Heritage Assets are recognised on the Balance Sheet where the authority has information on the cost or value of the asset. Where information on cost or value is not available, and the cost of obtaining the information outweighs the benefits to the users of the financial statements, the asset is not recognised on the Balance Sheet.

The carrying amount of Heritage Assets is reviewed where there is evidence of impairment, e.g. where an item has suffered physical deterioration or breakage, or where doubt arises as to authenticity. Any impairment is recognised and measured in accordance with the Council's policy on impairment. It is likely that disposals of Heritage Assets will

be made only occasionally. Where this does occur, the proceeds are accounted for in accordance with the Council's general provisions relating to disposal of property, plant and equipment. Disposal proceeds are disclosed separately in the notes to the financial statements.

#### **m) *Intangible Assets***

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Authority as a result of past events (e.g. software licences) is capitalised when it is expected it will bring benefits to the Council for more than twelve months. Intangible assets are measured initially at cost. Amounts are not revalued, as the value of the assets held by the Council cannot be determined by reference to an active market. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement (CIES).

#### **n) *Interests in Companies and Other Entities***

The Council has material interests in companies and other entities that have the nature of subsidiaries, associates and jointly controlled entities and require it to prepare group accounts.

#### **o) *Inventories and Long-term Contracts***

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

Long-term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

Work in progress, in relation to construction contracts, is calculated using the percentage completion method. Contract revenue is matched with contract costs incurred in reaching the state of completion at the balance sheet date.

#### **p) *Leases***

##### **The Council as Lessee**

##### Operating Leases

Rentals paid under operating leases are charged to the relevant service account in the Comprehensive Income and Expenditure Statement as an expense of the services benefitting from use of the leased asset over the term of the lease.

##### **The Council as lessor**

##### Operating Leases

Where the Council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the CIES.

#### **q) *Overheads and Support Services***

Support services will not be recharged although the costs of services provided by the Council will be charged to separate accounts such as the Housing Revenue Account and Mugdock Country Park. The costs of support and other services will be allocated in government returns as required.

In accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom 2021/22*, transactions between Council service areas are not reported in the service analysis section of the Comprehensive Income and Expenditure Statement. Where expenditure is incurred by a service on behalf of another, this expenditure and the consequent income is removed from the CIES. This also applies to revenue expenditure that has been charged to capital.

#### **r) *Property, Plant and Equipment***

##### **Recognition**

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis. Expenditure that merely maintains the condition of the asset is charged as an expense when it is incurred.

##### **Measurements**

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

Assets under construction are measured at cost. Where an asset is acquired via an exchange, the cost of the acquisition is deemed to be equivalent to the carrying amount of the asset given up by the Authority.

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

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

- infrastructure, community assets and assets under construction – depreciated historical cost
- dwellings – current value, determined using the basis of existing use value for social housing (EUV-SH)
- 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 there is no market-based evidence of current value because of the specialist nature of an asset (e.g. schools), depreciated replacement cost (DRC) is used as an estimate of value.

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. Examples of such assets are computers, vehicles, and other plant and equipment.

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.

### Impairment

The Council recognises the impairment of non-current assets, and any material reduction in asset value as a result of changing market conditions or clear consumption of an asset is recognised in the Comprehensive Income and Expenditure Statement only to the extent that the loss exceeds the balance on the Revaluation Reserve relating to the specific asset. An impairment review is conducted annually as part of the Council's revaluation programme.

### 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 useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction). No depreciation is charged in the year of acquisition but a full year's depreciation is charged in the year of disposal.

Depreciation is calculated on a straight-line basis over the following maximum number of years:

Category	Maximum number of years used for purposes of depreciation
Buildings and their various components	70
Infrastructure: Carriageways / lighting / street furniture & traffic management systems, etc.	40
Computer equipment & intangible assets	5
Furniture, fixtures & fittings	5
Operational equipment	10
Vehicles	8



Where a 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.

### **Disposals and Non-Current Assets Held for Sale**

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and current value less costs to sell. Where there is a subsequent decrease to current value less costs to sell, the loss is posted to the Other Operating Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES). Gains in current value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services.

### **Disposal and Derecognition of Infrastructure Assets**

When a component of an infrastructure asset is disposed of or decommissioned, the carrying amount of the component in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement, also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal).

The written-off amounts of disposals 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 transferred to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Where any part of infrastructure assets are replaced, an adaptation provided in a separate update to the Code assumes that, from the introduction of the IFRS based Code, when parts of an asset are replaced or restored the carrying amount of the derecognised part will be zero because parts of infrastructure assets are rarely replaced before the part has been fully consumed.

### **Service Concession Arrangement**

The Scottish Government, through statutory regulation in Local Government Finance Circular 10/2022, permits councils to account for the repayments of principal debt charges for PPP arrangements on a basis consistent with the expected useful life of the assets and with the treatment of loans fund charges. This is the best method to reflect the benefits of the assets over their useful lives. The Council has applied this to its PPP arrangement for secondary schools. It has used a useful economic life of 60 years to be prudent.

#### **s) Loans Fund Repayment**

In accordance with The Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016, the Council has recalculated the repayment of the loans fund advances to reflect the life of the assets associated with this debt. This has been calculated on the basis of an asset life of 35 years and an annuity rate of 4%.

#### **t) Public Private Partnerships (PPP) and Similar Contracts**

The PPP agreement for the provision of school buildings, their maintenance and other facilities is accounted for in accordance with *International Financial Reporting Interpretations Committee (IFRIC) 12 Service Concession Arrangements*. The Council carries the assets and associated liability to the PPP operator on its balance sheet. The annual amount payable to the PPP operator (the unitary charge) is apportioned between operating costs, interest payments and the repayment of debt. The property, plant and equipment of the PPP scheme are depreciated over the useful life of the assets and the associated liability to the operator is reduced by the principal repayments paid as part of the unitary charge.

#### **u) Provisions, Contingent Liabilities and Contingent Assets**

##### **Provisions**

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

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

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less 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.

### **Contingent Assets and Liabilities**

Contingent assets and liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts; see **Note 4**.

#### **v) Reserves**

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

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

#### **w) Revenue Expenditure Funded from Capital Under Statute**

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of Council Tax.

#### **x) Significant Trading Organisations (STO)**

The Council annually reconsiders the classification of its activities in terms of STOs as defined by the *Local Government in Scotland Act 2003*, and has nothing to report for financial year 2022/23.

#### **y) Agency Services**

The Council receives income from East Dunbartonshire Leisure and Culture Trust for the provisions of services such as support services, property and grounds maintenance and fleet and facilities management and from Scottish Water for billing and collection of domestic water charges.

#### **z) Value Added Tax (VAT)**

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

## **30. Critical Judgements in Applying Accounting Policies**

In applying the accounting policies above, the Council has to use professional judgement in some areas that have a significant effect on the figures in the financial statements. These critical judgements are outlined below.

### **Leases**

The Council has entered into an arrangement to manage certain land and buildings that are 'Common Good'. After consideration of the tests under *IFRIC4*, this management agreement is deemed to be a finance lease arrangement on the basis that the Council assumes the risks and rewards of ownership. These assets are included as Property, Plant and Equipment on the Council's balance sheet. A similar judgement was made on the Clyde Valley Waste Treatment Facility in the Leases note.

### **Property, Plant and Equipment**

Assets held at current value are revalued on a 5 year rolling basis. The Council's view is that, at any point in time, the carrying amount does not differ materially from that which would be determined using current value.

### **Public Private Partnership**

The Council has entered in to a Public Private Partnership (PPP) agreement for the provision and maintenance of six secondary school facilities. After consideration of the applicable tests under *IFRIC12*, it has been concluded that

these are service concession arrangements as the Council controls the services provided under the scheme and will assume ownership of the schools at the end of the contract for no additional charge. The assets used to provide services at the schools are recognised on the balance sheet of the Council and in the Property, Plant and Equipment note.

### Control or Significant Influence over Another Entity

The Council considers it has significant influence over another body if it has the power to participate in or govern the financial and operating policy decisions of the entity. This is considered in more detail in the Group Accounts, in particular Note 2, Group Boundary.

### Council Acting as Principal or Agent

Where the Council receives funding it considers the degree of control it has over how this funding is to be utilised. If the Council has no discretion over the utilisation of the funds it deems that it acting as an agent, this funding is reported in the Agency Services note and is not reflected in the Council's income and expenditure.

### Provision or Contingent Liability

Where the Council faces a future liability, where this can be quantified with a reasonable degree of certainty a provision for that liability will be made and reported in the appropriate note. The Council has made provision for pay elements and claims where it has had previous claims to base the provision on. If the liability cannot be quantified, it will be disclosed as a Contingent Liability in the relevant note. As can be seen, most of these involve ongoing or prospective legal action so the outcome and potential amounts involved cannot be determined with any level of accuracy.

### Funding

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

## 31. Future Assumptions and Estimation Uncertainties

The Annual Accounts contain 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 professional judgement, historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2024 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pension Liability	<p>Estimation of the net liability for pensions depends on a number of complex judgements relating to the discount rate used, the rate at which pay is projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Strathclyde Pension Fund has engaged a firm of consulting actuaries to provide expert advice about the assumptions to be applied.</p> <p>The net liability has decreased by £59.0 million in 2022/23 so the impact could be in the next year or over the longer term.</p>	<p>The effects on the net pension liability of changes in individual assumptions can be measured. Note 28(h) to the Principal Financial Statements includes a sensitivity analysis showing the impact of varying certain assumptions. For instance, a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5% (£19.6m to £32.6m)</p>
Property, Plant and Equipment	<p>The estimation of fair values and the useful lives of assets are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current fiscal climate may require the Council to review current spending levels on asset repairs and maintenance, bringing into doubt fair values and useful lives assigned to assets.</p>	<p>If the useful lives of assets are reduced, depreciation will increase and the carrying value of assets will fall. It is estimated that the annual depreciation charge for buildings would increase by approximately £2.01m for every year that useful lives had to be reduced. Against a value of £423.021m for Other Land and Buildings assets, this would be a variation of 0.475%.</p>

## 32. Accounting Standards Issued, Not Adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. The following standards do not require adoption before 31 March 2024 and therefore have no impact on the 2023/24 financial statements:

1. Disclosure of Leases (IFRS16) is due to be implemented no later than 1 April 2024, with the Council implementing it from this date. Amendments to IFRS16 cover the treatment of lease liability in sale and leaseback transactions.
2. Classification of Liabilities as Current or Non-Current (amendments to IAS1)
3. Non-Current Liabilities with Covenants (amendments to IAS 1)
4. Deferred Tax related to Assets and Liabilities arising from a Single Transaction (amendments to IAS12)
5. Supplier Finance Arrangements (amendments to IAS7 and IFRS7)

The Council has not yet identified the impact of the introduction of IFRS16. None of the other changes are expected to have a material impact on the Council's financial statements.

## 33. Cash Flow Statement – Reconciliation of Financing Activities

The tables underneath reconcile the financing activities shown in the cash flow statement to the movements in the balance sheet.

Reconciliation of Liabilities Arising from Financing Activities	Balance as at 31/03/23	Financing Cash Flows 2023/24	Non-Cash Flow Changes Acquisition 2023/24	Other 2023/24	Balance as at 31/03/24
	£000	£000	£000	£000	£000
Long-term borrowing	(198,310)	(73,979)	0	0	(272,289)
Short-term borrowing	(103,265)	16,686	0	0	(86,579)
Finance lease liabilities, long-term	(2,820)	0	0	80	(2,740)
Finance lease liabilities, short-term	(94)	94	0	(80)	(80)
PPP liabilities, long-term	(64,150)	0	0	2,255	(61,895)
PPP liabilities, short-term	(2,841)	2,841	0	(2,255)	(2,255)
<b>Total liabilities from financing activities</b>	<b>(371,480)</b>	<b>(54,358)</b>	<b>0</b>	<b>0</b>	<b>(425,838)</b>

Reconciliation of Liabilities Arising from Financing Activities	Balance as at 31/03/22	Financing Cash Flows 2022/23	Non-Cash Flow Changes Acquisition 2022/23	Other 2022/23	Balance as at 31/03/23
	£000	£000	£000	£000	£000
Long-term borrowing	(165,698)	(32,612)	0	0	(198,310)
Short-term borrowing	(87,778)	(15,487)	0	0	(103,265)
Finance lease liabilities, long-term	(2,914)	0	0	94	(2,820)
Finance lease liabilities, short-term	(95)	95	0	(94)	(94)
PPP liabilities, long-term	(66,991)	0	0	2,841	(64,150)
PPP liabilities, short-term	(3,318)	3,318	0	(2,841)	(2,841)
<b>Total liabilities from financing activities</b>	<b>(326,794)</b>	<b>(44,686)</b>	<b>0</b>	<b>0</b>	<b>(371,480)</b>

## Housing Revenue Account (HRA)

The HRA reflects the statutory requirement under the *Housing (Scotland) Act 1987* to maintain a separate account for income and expenditure arising from the provision of council housing. The HRA Income and Expenditure Statement shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and government grants. The Council charges rents to cover expenditure in accordance with regulations; this may be different from the accounting cost. The increase or decrease in the year, on the basis of which rents are raised, is shown in the movement on the HRA Statement.

2022/23	Housing Revenue Account	2023/24	
£000		£000	£000
	<b>Income</b>		
(15,782)	Dwelling Rents	(17,060)	
(200)	Non Dwelling Rents	(110)	
(208)	Other Income	(357)	
<b>(16,190)</b>	<b>Total Income</b>		<b>(17,527)</b>
	<b>Expenditure</b>		
4,358	Repairs and Maintenance	6,053	
4,679	Supervision and Management	4,712	
12,330	Depreciation, impairment and revaluation of non-current assets	35,306	
138	Movement in the allowance for bad debtors	(46)	
970	Other Expenditure	699	
<b>22,475</b>	<b>Total Expenditure</b>		<b>46,724</b>
<b>6,285</b>	<b>Net Expenditure</b>		<b>29,197</b>
58	HRA services share of Corporate and Democratic Core		88
<b>6,343</b>	<b>Net Cost of HRA Services as included in the whole authority</b>		<b>29,285</b>
	<b>Comprehensive Income and Expenditure Statement</b>		
0	HRA share of other amounts included in the whole authority net expenditure of continuing operations but not allocated to specific services		0
<b>6,343</b>	<b>Net Cost of HRA Services</b>		<b>29,285</b>
	HRA share of the operating income and expenditure included in the whole authority Comprehensive Income and Expenditure Statement:		
(346)	(Gain) or Loss on sale of HRA non-current assets		890
1,810	Interest payable and similar charges		2,235
(172)	Interest and investment income		(688)
36	Pension interest cost and expected return on pension assets		(104)
(3,066)	Capital Grants and Contributions		(7,989)
<b>4,605</b>	<b>(Surplus) or deficit for the year on HRA services</b>		<b>23,629</b>



**Movement on the HRA Statement** – The statement takes the outturn on the HRA Income and Expenditure Statement and reconciles it to the surplus or deficit for the year on the HRA Balance, calculated in accordance with the requirements of the 1987 Act.

2022/23		2023/24
£000		£000
(10,421)	<b>Balance on the HRA at end of the previous reporting period</b>	<b>(9,298)</b>
4,605	(Surplus) or deficit for the year on the HRA Income and Expenditure Statement	23,629
	Adjustments between accounting basis and funding basis under statute:	
(12,330)	Depreciation, impairment and revaluation of non-current assets	(35,306)
346	Gain or loss on sale of HRA non-current assets	(890)
40	Amount by which finance costs charged to the CIES are different from finance costs chargeable in the year in accordance with statutory requirements	29
(347)	Net charges made for retirement benefits in accordance with IAS19	(127)
1,743	Loans fund principal	353
4,000	Capital expenditure funded by the HRA	4,371
3,066	Capital Grants and Contributions	7,989
(3,482)	Total Adjustments between accounting basis and funding basis under statute:	12,586
1,123	<b>Net decrease or (increase) before transfers to or from reserves</b>	<b>48</b>
0	Transfers to or (from) earmarked reserves	0
1,123	<b>(Increase) or decrease in year on the HRA</b>	<b>48</b>
(9,298)	<b>Balance on the HRA at the end of the current reporting period</b>	<b>(9,250)</b>

## Notes to the Housing Revenue Account

### 1. Number and Type of Dwelling

Dwellings		Opening Number	Changes in Year	Closing Number
<b>Houses</b>	Bungalow	6	1	7
	Semi-Detached	693	3	696
	Detached House	7	(1)	6
	Terraced House	1,108	9	1,117
<b>Total Houses</b>		<b>1,814</b>	<b>12</b>	<b>1,826</b>
<b>Flats</b>	Maisonette	101	(3)	98
	Four in a Block	756	3	759
	Tenement Flat	1,102	24	1,126
	Own-Door Flat (Homes 2)	3	1	4
<b>Total Flats</b>		<b>1,962</b>	<b>25</b>	<b>1,987</b>
<b>Grand Total</b>		<b>3,776</b>	<b>37</b>	<b>3,813</b>

In 2023/24 there were 41 new properties (19 new build and 22 open market purchases). There were also four full disposals during the year.

### 2. Arrears and Impairment Loss Allowance

2022/23		2023/24
£000	<b>Arrears as at 31 March</b>	<b>£000</b>
940	Former Tenants	951
1,109	Current Tenants	968
2,049	<b>Total</b>	<b>1,919</b>
	<b>Impairment Loss Allowance as at 31 March:</b>	
1,627	<b>Total provision in respect of uncollectable rents</b>	<b>1,544</b>

### 3. Void Rent Loss

Rent loss in relation to housing and garages was £0.494m in 2023/24 (£0.516m 2022/23).

## Council Tax Income Account

### a) Statutory Background

The Council Tax Income Account (Scotland) shows the gross income raised from Council Taxes levied and deductions made under statute. The resultant net income is shown in the Comprehensive Income and Expenditure Statement. Council Tax is payable on any dwelling which is not an exempt dwelling (prescribed by an order made by the Scottish Government). The amount of Council Tax payable depends on the valuation band of the dwelling.

### b) Council Tax Income Account

2022/23 restated <sup>(a)</sup>		2023/24
£000		£000
83,068	<b>Gross Council Tax levied and contribution in lieu</b>	87,659
	Less:	
(5,055)	Council Tax Reduction Scheme	(5,291)
(8,092)	Other discounts and reductions	(8,652)
(958)	Write-off of uncollectable debts and allowance for impairment	(1,435)
451	Prior year adjustments	453
(185)	Transfer to Reserve	(210)
<b>69,229</b>	<b>Net Council Tax Income Transferred to General Fund</b>	<b>72,524</b>

(a) The 2022/23 figures above have been restated to correct the figure for write-off of uncollectable debts and allowance for impairment.

### c) Calculation of the Council Tax Base (shown as numbers of properties)

	A Disabled	A	B	C	D	E	F	G	H	Total No. of Properties
Properties	0	1,092	3,703	8,541	8,829	10,763	7,386	7,224	677	48,215
Exemptions	0	(83)	(162)	(273)	(190)	(200)	(118)	(107)	(9)	(1,142)
<b>Chargeable Dwellings</b>	<b>0</b>	<b>1,009</b>	<b>3,541</b>	<b>8,268</b>	<b>8,639</b>	<b>10,563</b>	<b>7,268</b>	<b>7,117</b>	<b>668</b>	<b>47,073</b>
Disabled Reductions		(1)	(12)	(46)	(57)	(101)	(84)	(61)	(6)	(368)
Effectively Chargeable	1	12	46	57	101	84	61	6	0	368
<b>Adjusted Chargeable Dwellings</b>	<b>1</b>	<b>1,020</b>	<b>3,575</b>	<b>8,279</b>	<b>8,683</b>	<b>10,546</b>	<b>7,245</b>	<b>7,062</b>	<b>662</b>	<b>47,073</b>
Discounts (50% or reduced)		(13)	(53)	(67)	(84)	(85)	(47)	(37)	(8)	(394)
Single Discount (25%)		(660)	(2,061)	(3,891)	(3,236)	(2,983)	(1,630)	(1,179)	(70)	(15,710)
<b>Total Equivalent Dwellings</b>	<b>1</b>	<b>849</b>	<b>3,033</b>	<b>7,273</b>	<b>7,832</b>	<b>9,758</b>	<b>6,814</b>	<b>6,749</b>	<b>640</b>	<b>42,949</b>
Ratio to Band D	<u>200</u> 360	<u>240</u> 360	<u>280</u> 360	<u>320</u> 360	<u>360</u> 360	<u>473</u> 360	<u>585</u> 360	<u>705</u> 360	<u>882</u> 360	--
<b>Band D Equivalents</b>	<b>1</b>	<b>566</b>	<b>2,359</b>	<b>6,465</b>	<b>7,832</b>	<b>12,821</b>	<b>11,073</b>	<b>13,216</b>	<b>1,569</b>	<b>55,901</b>
										Contributions in lieu
										0
										<b>Total</b>
										<b>55,901</b>
										Provision for bad debts
										(1,014)
										<b>Council Tax Base</b>
										<b>54,887</b>

The numbers in the above table reflect the position as at March 2024.

### d) The Nature and Actual Amount of Each Charge Fixed

Dwellings fall within a valuation band from A to H, which is determined by the Assessor. The Council Tax charge is calculated using the Council Tax base, i.e. Band D equivalents. This value is then decreased or increased dependent on the band of the individual dwelling. The Band D charge for 2023/24 was £1,416 (2022/23 £1,348).

	A	B	C	D	E	F	G	H
Annual Charge	£943.77	£1,101.07	£1,258.36	£1,415.66	£1,860.02	£2,300.45	£2,772.33	£3,468.37

## Non-Domestic Rate Income Account

### a) Statutory Background

Occupiers of non-domestic property pay rates based on the valuation of the property within the valuation roll for the area. The non-domestic rate (NDR) poundage is determined by the Scottish Government.

The NDR Account (Scotland) is an agent's statement that reflects the statutory obligation for billing authorities to maintain a separate NDR Account. The statement shows the gross income from the rates and deductions made under statute. The net income is paid to the Scottish Government as a contribution to the national Non-Domestic Rate pool. The account shows the rates collected from non-domestic ratepayers during the year. Actual rates collected locally are shown below.

### b) Non-Domestic Rates Income Account

2022/23		2023/24
£000		£000
<b>33,786</b>	<b>Gross Rates levied and contributions in lieu</b>	<b>37,648</b>
	Less:	
(9,488)	Reliefs and other deductions	(10,954)
0	Payment of Interest	0
(530)	Write-offs of uncollectable debts and allowance for impairment	(588)
<b>23,768</b>	<b>Net Non-Domestic Rates Income</b>	<b>26,106</b>
(818)	Prior year adjustment	(819)
0	Non domestic rates income retained by the authority	0
<b>22,950</b>	<b>Contribution to national non domestic rate pool</b>	<b>25,287</b>
(17,675)	Distribution from national non domestic rate pool (CIES)	(24,099)
<b>5,275</b>	<b>Net contribution to/(from) national non domestic rate pool</b>	<b>1,188</b>

### c) The Nature and Actual Amount of Each Rate Fixed

The amount paid for Non-Domestic Rates is determined by the rateable value placed on the property by the Assessor, multiplied by the rate per £ announced each year by the Scottish Government. The Non-Domestic Rate poundage for 2023/24 was 49.8p (2022/23 49.8p).

Small businesses with a total rateable value of £12,000 or less are eligible for a discount on the rate of poundage of 100%; small businesses with an individual property with rateable value up to £20,000 or properties with cumulative rateable values up to £35,000 are eligible for smaller discounts, generally on a tapering basis. The form to claim this relief can be found by searching for Reliefs and Exemptions on the Council's website.

Properties with a rateable value from £51,001 to £100,000 pay a supplement of 1.3p on the rate poundage; properties with a rateable value over £100,000 pay a supplement of 2.6p.

### d) Analysis of Rateable Values and Number of Premises as at 1 April 2023

	Number of Subjects	Rateable Value
		£000
Industrial	514	9,560
Commercial	1,462	39,061
Others	629	24,940
Formula Valued (public undertakings)	12	96
<b>Total</b>	<b>2,617</b>	<b>73,657</b>

### e) Movement in Rateable Values in 2023/24

2022/23		2023/24
£000		£000
<b>65,847</b>	<b>Rateable Values at 1 April</b>	<b>73,657</b>
7,810	Running Roll (full Rateable Value)	432
<b>73,657</b>	<b>Rateable Values at 31 March</b>	<b>74,089</b>
(1,081)	Less: Wholly Exempt	(1,128)
<b>72,576</b>	<b>Net Rateable Values at 31 March</b>	<b>72,961</b>

2022 was a revaluation year, and new rateable values applied with effect from 1 April 2022. The next revaluation is due in 2025.

## Common Good and Trust Funds

### Summary of Trust Funds

The Council administers several Trust funds, which relate primarily to legacies left by individuals with connection in the area. These Trusts transferred to the Council from the former authorities of Strathkelvin District Council, Bearsden and Milngavie District Council, and Strathclyde Regional Council. The Trusts are specific to certain areas within the former authorities and the income from the Trusts can be used to fund expenditure that is appropriate to the purpose for which the original legacies were donated. Those Trust funds registered with the Office of the Scottish Charity Regulator (OSCR) are included in Charitable Trusts below.

#### a) *Income and Expenditure Account*

2022/23		2023/24		
Total	Income and Expenditure	Charitable Trusts (CTs)	Other CTs	Total
		EDC CTs		
£000		£000	£000	£000
0	Income in year	0	(1)	(1)
0	Expenditure in year	5	0	5
0	<b>(Surplus)/Deficit</b>	<b>5</b>	<b>(1)</b>	<b>4</b>

#### b) *Balance Sheet*

2022/23	Balance Sheet	2023/24		
Total		Charitable Trusts (CTs)	Other CTs	Total
		EDC CTs		
£000		£000	£000	£000
<b>Assets:</b>				
0	External Investments	0	0	0
35	Internal Investments	0	31	31
0	Debtors	0	0	0
35	<b>Total Assets</b>	<b>0</b>	<b>31</b>	<b>31</b>
0	Less Current Liabilities			0
35	<b>Net Assets / (Liabilities)</b>	<b>0</b>	<b>31</b>	<b>31</b>
<b>Represented by:</b>				
16	Capital balance at 31 March	0	15	15
19	Revenue balance at 31 March	0	16	16
35	<b>Total Balance at 31 March</b>	<b>0</b>	<b>31</b>	<b>31</b>

#### c) *Additional Fund Information*

**East Dunbartonshire Council (EDC) Charitable Trusts** – These minor Trust Funds are held by the Council and were mainly legacies gifted for the upkeep of memorial cairns and Regent Gardens in Kirkintilloch. The balances on these funds are generally too small to generate enough income to accomplish anything that would further the aims of the Trusts. Due to the limited ability to spend funds under the current structure, approval was sought from OSCR to reorganise the Trusts. The remaining funds for Miss Hutchison's Legacy have been utilised for the purposes that the charity was set up for –the upgrade of Regent Gardens in Kirkintilloch in 23/24.

**Various Other Non-Charitable Trusts** – These minor Trust Funds are held by the Council, mainly comprising legacies gifted for educational and social work purposes.

## Summary of Common Good Funds

Common Good Funds were inherited from former authorities, the most significant one being the Talbot Crosbie fund from Bearsden and Milngavie District Council. This has a balance of £0.970m at 31 March 2024 (£0.902m at 31 March 2023). These funds can be used for the common good/benefit of residents of the area and, as such, they are primarily used to give grants to appropriate organisations in the relevant areas. The Common Good Funds held by the Council are currently registered charities regulated by the OSCR. Common Good funds are not Council assets and are not included in the Council's Balance Sheet but are included in the Council's Group Accounts.

### a) Income and Expenditure Account

2022/23		Common Good	2023/24	
General	T Crosbie		General	T Crosbie
£000	£000		£000	£000
(4)	(37)	Income in year	(12)	(83)
0	109	Expenditure in year	0	16
<b>(4)</b>	<b>72</b>	<b>(Surplus)/Deficit</b>	<b>(12)</b>	<b>(67)</b>

### b) Balance Sheet

2022/23		Common Good	2023/24	
General	T Crosbie		General	T Crosbie
£000	£000		£000	£000
<b>Assets:</b>				
0	710	External Investments	0	758
227	183	Internal Investments	239	202
0	10	Debtors	0	10
<b>227</b>	<b>903</b>	<b>Total Assets</b>	<b>239</b>	<b>970</b>
0	0	Less Current Liabilities	0	0
<b>227</b>	<b>903</b>	<b>Net Assets / (Liabilities)</b>	<b>239</b>	<b>970</b>
<b>Represented by:</b>				
227	742	Capital balance at 31 March	239	790
0	161	Revenue balance at 31 March	0	180
<b>227</b>	<b>903</b>	<b>Total Balance at 31 March</b>	<b>239</b>	<b>970</b>

### c) Common Good – Property, Plant & Equipment

On 7 February 2012, the Policy & Resources Committee approved a management agreement whereby the Council operates land and property identified as Common Good. Under this agreement, the Council remains responsible for all costs and income relating to such assets and is entitled to use them.

International Financial Reporting Standards and associated guidance (*IFRIC 4: Determining Whether an Arrangement Contains a Lease*) require arrangements that convey the right to use an asset to be accounted for as a lease, even where they do not have the legal form of a lease. It has been determined that this arrangement has the substance of a finance lease, with the Council assuming the risks and rewards of ownership. Therefore, the land and buildings are disclosed on the Balance Sheet of the Council and not that of the Common Good.

The Common Good has a gross investment in the lease type arrangement, which comprises the minimum lease payments expected to be received over the remaining term and the residual value anticipated for the land and buildings when the service agreement ends. The value of the lease debtor and the gross investment is not significant as the agreement and associated peppercorn rentals are expected to remain in place for the foreseeable future.

### d) Regulations

The *Charities and Trustee Investment (Scotland) Act 2005* and the *Charities Accounts (Scotland) Regulations 2006*. Under the provisions of the 2005 Act and the Accounts Regulations, all registered charities in Scotland are required to prepare annual accounts that must be externally scrutinised; this will apply to all Trusts registered with OSCR.

The Council has been reviewing the Trusts it currently holds, and Council of 15 November 2012 nominated four Members of East Dunbartonshire Council to act as Trustees for all registered Trusts held by the Council. New appointments were made by Council on 23 May 2017. The Council has been liaising with OSCR over its plans to re-organise the existing Trusts to maximise the potential use that can be made of the assets of the Trusts and the actions in the year are reported in **Section c** Additional Fund Information on the previous page.



## Group Financial Statements

### 1. Introduction

The *Code of Practice on Local Authority Accounting in the United Kingdom 2022/23* requires the Council to prepare group accounts where the authority has interests in subsidiaries, associates and/or jointly controlled entities, subject to the consideration of materiality.

### 2. Group Boundary

East Dunbartonshire Council considers all entities in which it has an interest for consolidation into the group accounts. The following criteria are used for determining whether an entity falls within the group accounts and, if so, on what grounds:

- **Materiality**  
Where the financial impact of omitting an entity from the group accounts would not cause a user of the accounts to form a different view of the accounts, the Council has opted not to include these entities within the group boundary. These entities are detailed under **Note 5** Non-Consolidated Interests in Other Entities.
- **Subsidiary**  
The Code defines a subsidiary as an entity that the authority has the ability to control through the power to govern their financial and operating policies so as to obtain benefits from the entity's activities. Control is usually presumed where an authority owns more than half the voting power of the entity. East Dunbartonshire Leisure and Culture Trust Limited and Mugdock Country Park Joint Management Committee have been consolidated in to the Group Statements as subsidiaries as at 31 March 2024.
- **Joint Venture**  
The Code defines a joint venture as an entity which the authority has contractually agreed to share control with another party or parties such that significant decisions require unanimous consent and the joint venturers have rights to the net assets of the arrangement. The Council has identified one entity that meets the definition of a joint venture at 31 March 2024; the East Dunbartonshire Health & Social Care Partnership, an Integration Joint Board established with NHS Greater Glasgow and Clyde.
- **Associates**  
The Code defines an associate as an entity for which the authority is an investor that has significant influence, i.e. the power to participate in the financial and operating policy decisions of the entity. The entity that has been included in the group accounts as an associate is Dunbartonshire and Argyll & Bute Valuation Joint Board.

### 3. Method of Consolidation

In accordance with the Code, the subsidiaries have been fully consolidated and have a financial year end of 31 March 2024. This means that the financial statements of the subsidiary are consolidated by adding like items of assets, liabilities, reserves, income and expenses together line by line to those of the Council's financial statements. All intra-group balances and transactions are eliminated upon consolidation.

The joint venture has a financial year end of 31 March 2024 and has been consolidated using the equity method as required by the Code. This approach involves consolidating the Council's share of the net surplus or deficit for the year, as well as a share of the net assets of the entity. These results are shown as a separate line within the Group Comprehensive Income and Expenditure Statement and Group Balance Sheet. The Council's share of the results is deemed equal to the Council's share of the voting rights in the Health & Social Care Partnership (50%).

The associate has also been consolidated at its financial year end of 31 March 2024 using the equity method as above, which complies with the Code. The Council's share of the results is deemed equal to the share of the funding that the Council contributed to the entity. In 2023/24 that share was as follows:

- Dunbartonshire and Argyll and Bute Valuation Joint Board – In 2023/24 the Council contributed 27.56% of estimated operating costs (27.62% in 2022/23)

All material group entities prepared their financial statements in accordance with the Code.

## Group Comprehensive Income and Expenditure Statement

The Group Comprehensive Income and Expenditure Statement combines the Income and Expenditure figures of the Council with the Council's share of the operating results of those entities in which it has a financial interest.

2022/23 Restated			2023/24			
Gross Expend.	Gross Income	Net Expend. or (Income)	Gross Expend.	Gross Income	Net Expend. or (Income)	
£000	£000	£000	£000	£000	£000	
Service Revenue Accounts:						
8,515	(1,435)	7,080	Chief Exec. / Joint Boards/ Miscellaneous	11,874	(5,475)	6,399
46,259	(3,522)	42,737	Assets & Facilities	48,089	(4,054)	44,035
30,732	(2,033)	28,699	Roads & Neighbourhood Services	31,446	(2,088)	29,358
5,306	(1,521)	3,785	Land, Planning & Development	5,223	(1,919)	3,304
8,221	(3,573)	4,648	Community Services	7,190	(3,331)	3,859
162,973	(16,944)	146,029	Education	167,517	(19,650)	147,867
35,129	(13,875)	21,254	Finance & Digital Services	45,863	(14,321)	31,542
4,488	(477)	4,011	Legal & Regulatory Services	4,317	(440)	3,877
5,304	(172)	5,132	Customer Services & Organisational Develop't	4,848	(207)	4,641
171,114	(94,342)	76,772	Social Work	169,205	(93,885)	75,320
22,533	(16,190)	6,343	Housing Revenue Account	46,665	(17,380)	29,285
109	(41)	68	Common Good and Trust Funds	21	(96)	(75)
500,683	(154,125)	346,558	Net Cost of Services (1)	542,258	(162,846)	379,412
109	(Gains) / Loss on Disposal of Non-current Assets				(238)	
109	Other Operating (Income) or Expenditure (2)				(238)	
16,417	Interest Payable and Similar Charges				21,704	
2,598	Pension Interest Cost/Expected Return on Pension Assets				(6,644)	
(997)	Interest Receivable and Similar Income				(1,718)	
18,018	Financing and Investment Income and Expenditure (3)				13,342	
(70,553)	Council Tax and Community Charge				(72,524)	
(17,675)	Non-Domestic Rates				(24,099)	
(206,629)	General Revenue Grant				(210,352)	
(13,489)	Recognised Capital Grants / Contributions				(19,498)	
(308,346)	Taxation and Non-Specific Grant Income (4)				(326,473)	
56,339	(Surplus) or Deficit on the Provision of Services (5)				66,043	
{(1) + (2) + (3) + (4)}						
3,464	Share of the Operating Results of Joint Ventures				(1,172)	
125	Share of the Operating Results of Associates				129	
59,928	Group (Surplus) or Deficit on the Provision of Services (6)				65,000	
(6,309)	(Surplus) or Deficit on the Revaluation of Property, Plant and Equipment assets				(38,573)	
(86,777)	Actuarial (Gains) or Losses on Pensions Assets and Liabilities				34,626	
0	Other Unrealised (Gains) or Losses				8	
(93,086)	Other Comprehensive Income and Expenditure (7)				(3,939)	
(33,158)	Total Comprehensive Income and Expenditure {(6) + (7)}				61,061	

Figures in the 2022/23 group statements have been restated for an error of £6.928m in the figures for the Council's joint venture, East Dunbartonshire Health and Social Care Partnership in 2022/23.

2022/23 Net Cost of Services figures in the CIES have been restated to align to the revised organisational structure effective in 2023/24.

## Group Movement in Reserves Statement

The Group Movement in Reserves Statement shows the movement in the year on the different reserves held by the Council, together with the movement in the Council's share of those entities in which it has a financial interest.

	Usable Reserves			Unusable Reserves			Total Group Reserves
	East Dunbartonshire Council	Group Entities	Total Group	East Dunbartonshire Council	Group Entities	Total Group	
	£000	£000	£000	£000	£000	£000	£000
<b>Balance at 1 April 2023</b>	<b>62,245</b>	<b>13,083</b>	<b>75,328</b>	<b>357,625</b>	<b>132</b>	<b>357,757</b>	<b>433,085</b>
<b>Movement in reserves during 2023/24:</b>							
<b>Total Comprehensive Income and (Expenditure)</b>	(66,188)	1,259	<b>(64,929)</b>	3,948	(80)	<b>3,868</b>	<b>(61,061)</b>
Adjustments between accounting basis and funding basis under regulations	35,777	0	<b>35,777</b>	(35,777)	0	<b>(35,777)</b>	<b>0</b>
Transfers to/from Other Statutory Reserves	2,569	0	<b>2,569</b>	(2,569)	0	<b>(2,569)</b>	<b>0</b>
<b>Increase or (Decrease) in the year</b>	<b>(27,842)</b>	<b>1,259</b>	<b>(26,583)</b>	<b>(34,398)</b>	<b>(80)</b>	<b>(34,478)</b>	<b>(61,061)</b>
<b>Balance at 31 March 2024 carried forward</b>	<b>34,403</b>	<b>14,342</b>	<b>48,745</b>	<b>323,227</b>	<b>52</b>	<b>323,279</b>	<b>372,024</b>
<b>Restated Balance at 1 April 2022</b>							
	<b>47,564</b>	<b>17,477</b>	<b>65,041</b>	<b>340,014</b>	<b>(5,127)</b>	<b>334,887</b>	<b>399,928</b>
<b>Movement in reserves during 2022/23:</b>							
<b>Total Comprehensive Income and (Expenditure)</b>	(53,947)	(4,393)	<b>(58,340)</b>	86,239	5,259	<b>91,498</b>	<b>33,158</b>
Adjustments between accounting basis and funding basis under regulations *	36,465	0	<b>36,465</b>	(36,465)	0	<b>(36,465)</b>	<b>0</b>
Transfers to/from Other Statutory Reserves	32,163	0	<b>32,163</b>	(32,163)	0	<b>(32,163)</b>	<b>0</b>
<b>Increase or (Decrease) in the year</b>	<b>14,681</b>	<b>(4,393)</b>	<b>10,288</b>	<b>17,611</b>	<b>5,259</b>	<b>22,870</b>	<b>33,158</b>
<b>Restated Balance at 31 March 2023 carried forward</b>	<b>62,245</b>	<b>13,084</b>	<b>75,329</b>	<b>357,625</b>	<b>132</b>	<b>357,757</b>	<b>433,086</b>

Group reserves changed at 1 April 2023 to reflect the changed basis of allocation for the Council's associate body, Dunbartonshire and Argyll & Bute Valuation Joint Board.

## Group Balance Sheet

The Group Balance Sheet shows as at 31 March 2024 the assets and liabilities of the Group, and combines the Council's assets and liabilities with its share of the assets and liabilities of those entities in which it has a financial interest.

31 March 2023 Restated		31 March 2024
£000		£000
858,070	Property, Plant and Equipment	881,877
3,808	Heritage Assets	3,808
2,924	Intangible Assets	3,759
10,409	Investments in Associates & Joint Ventures	11,442
4	Long-term Debtors	76
<b>875,215</b>	<b>Long-term Assets</b>	<b>900,962</b>
1,340	Assets Held for Sale	1,096
832	Inventories	662
25,805	Short-term Debtors	35,397
2,210	Prepayments	2,159
<b>30,187</b>	<b>Current Assets</b>	<b>39,314</b>
(103,265)	Short-term Borrowing	(86,579)
(2,840)	Other Short-term Liabilities (PPP contract)	(2,255)
(94)	Other Short-term Liabilities (Finance Leases)	(80)
(55,036)	Short-term Creditors	(53,300)
(27)	Provisions	(66)
1,691	Cash and Cash Equivalents	(16,880)
(9,257)	Short-term Grants & Receipts in Advance	(4,609)
<b>(168,828)</b>	<b>Current Liabilities</b>	<b>(163,769)</b>
(198,310)	Long-term Borrowing	(272,289)
0	Liabilities in Associates	0
(67,150)	Other Long-term Liabilities (PPP contract)	(64,895)
(2,820)	Other Long-term Liabilities (Finance Leases)	(2,740)
(28,120)	Other Long-term Liabilities (Pensions)	(54,658)
(328)	Provisions	(401)
(6,760)	Long-term Grants & Receipts in Advance	(9,500)
<b>(303,488)</b>	<b>Long-term Liabilities</b>	<b>(404,483)</b>
<b>433,086</b>	<b>Net Assets</b>	<b>372,024</b>
75,329	Usable Reserves	48,745
357,757	Unusable Reserves	323,279
<b>433,086</b>	<b>Total Reserves</b>	<b>372,024</b>

The unaudited annual accounts were issued on 8 July 2025.

.....  
**Jamie Robertson CPFA**  
**Chief Finance Officer**  
Date: 8 July 2025

## Group Cash Flow Statement

The Group Cash Flow Statement shows the change in the year of cash and cash equivalents of the Council and those entities in which it has a financial interest.

2022/23 Restated		2023/24
£000		£000
59,928	<b>Net (Surplus) or Deficit on the Provision of Services</b>	<b>65,000</b>
(93,324)	Adjust for Non-Cash Movements	(71,209)
14,759	Adjust for Items in Net Surplus or Deficit that are Investing and Financing Activities	19,920
<b>(18,637)</b>	<b>Net Cash Flows from Operating Activities</b>	<b>13,711</b>
85,100	Investing Activities	59,219
(44,686)	Financing Activities	(54,359)
<b>21,777</b>	<b>Net (Increase) / Decrease in Cash and Cash Equivalents</b>	<b>18,571</b>
(23,468)	Cash and Cash Equivalents at 1 April	(1,691)
<b>(1,691)</b>	<b>Cash and Cash Equivalents at 31 March</b>	<b>16,880</b>
31 March 2023	Cash and Cash Equivalents	31 March 2024
£000		£000
18	Cash Held by Officers	18
(5,957)	Bank Current Accounts	(29,119)
7,630	Short-term Deposits (Temporary Investments)	12,221
<b>1,691</b>	<b>Total Cash and Cash Equivalents</b>	<b>(16,880)</b>

*The signs in the Cash and Cash Equivalent table above are reversed from the figures in the cashflow statement to agree with the figures shown in the Balance Sheet.*



## Notes to the Group Financial Statements

### 1. Statement of Group Accounting Policies

The Financial Statements in the Group Accounts have been prepared in accordance with the Council's accounting policies. Where group members are not required to prepare their financial statements on an IFRS basis, consolidation adjustments have been made where applicable. The Council has adopted the recommendations of the Code, which requires local authorities to consider their interests in all types of entity to incorporate into Group Accounts. A full set of Group Accounts, in addition to the Council's accounts, has been prepared which incorporates material balances from identified associated entities.

The Council has accounted for its interest in each Subsidiary using the acquisition method of accounting. The Council's interest in its Joint Venture and Associate has been accounted for using the equity method of accounting. With regard to the Joint Boards, the Council's interest reflects the requisition share paid by the Council.

### 2. Going Concern

All of the group bodies has a net asset value. The Council's Group Accounts have therefore been prepared on a going concern basis as there is no reason to suggest any concerns on the future viability of these bodies.

### 3. Stock

Stock is valued at weighted average cost and the lower of cost or net realisable value as follows. The difference in valuation methods does not have a material effect on the results of the Group given the levels of stockholdings in these organisations.

- Net cost or realisable value: Mugdock Country Park's stock

### 4. Combining Entities

Recognition has been made of the Council's controlling interest in two Subsidiary companies. The Council has effective control over the Common Good and Trust Funds, which it administers and these are also treated as subsidiaries in the Group Accounts. The Council also consolidates its interests in one Joint Venture and one Associate. The accounting period end for all entities is 31 March 2024.

The percentage share of each combining entity's financial results (excluding Minority interests) is as follows:

2022/23 Restated			Group Bodies		2023/24		
Group Share	Net Exp / (Inc)	Net Assets / (Liabilities)			Group Share	Net Exp / (Inc)	Net Assets / (Liabilities)
%	£000	£000		Consolidation Basis	%	£000	£000
<b>Subsidiaries:</b>							
100.0	(4,603)	1,642	ED Leisure & Culture Trust	Voting Rights	100.0	(70)	1,712
100.0	0	0	Mugdock Country Park Joint C'ttee	Voting Rights	100.0	0	0
100.0	0	35	EDC Trust Funds	Trustees	100.0	4	31
100.0	68	1,130	EDC Common Good	Trustees	100.0	(79)	1,209
<b>Joint Ventures</b>							
50.0	3,464	10,031	ED Health & Social Care Partner.	Voting Rights	50.0	(1,172)	11,203
<b>Associates:</b>							
27.62	205	378	Dunbartonshire and Argyll and Bute Valuation Joint Board	Requisition	27.62	138	239
	(866)	13,216	<b>Total Consolidated Group Entities</b>			(1,179)	14,394
	(32,292)	419,870	<b>East Dunbartonshire Council</b>			62,240	357,630
	(33,158)	433,086	<b>Group Financial Statements</b>			61,061	372,024

## a) **Subsidiaries**

### **East Dunbartonshire Leisure and Culture Trust Limited**

East Dunbartonshire Leisure & Culture Trust was incorporated in November 2010 as a charitable company limited by guarantee. The limit of the Council's liability if the company is wound up is £1.

The Trust began delivering a range of leisure and cultural services on behalf of East Dunbartonshire Council on 1 April 2011. These services extend to the provision of leisure centres, libraries, an art gallery and museum. The Council has agreed to do all that is reasonable to support the Trust's financial position given the challenges resulting from the Covid pandemic.

The company's Articles of Association state that the Council is the sole member of the company with the power to appoint and remove directors. The Board consists of 11 directors. There are five directors who are Councillors of, and directly appointed by, the Council. Of the remaining directors, five are appointed by the Council based on the recommendation of a nominations committee and one is appointed based on nomination by the Trade Union. The total net asset position of the company at 31 March 2024 was £1.712m (31 March 2023 £1.641m) after accounting for *FRS17: Retirement Benefits*. The following additional disclosures are required under accounting regulations for this Company because the Council's share of the net liability exceeds 25%:

2022/23	East Dunbartonshire Leisure and Culture Trust	2023/24
<b>£000</b>		<b>£000</b>
10,329	Turnover	13,073
(2,324)	Profit or (loss) before tax	519
0	Taxation	0
(2,324)	Profit or (loss) after tax	519
5	Long term assets	3
3,320	Current assets	3,491
(1,683)	Current liabilities	(1,782)
0	Long term liabilities	0

The accounts of the Trust are published separately and can be obtained from:

East Dunbartonshire Leisure & Culture Trust  
Kirkintilloch Town Hall  
Union Street  
Kirkintilloch  
G66 1DH

### **Mugdock Country Park Joint Management Committee**

This Joint Committee has been appointed to carry out duties under Section 48(4) of the *Countryside (Scotland) Act 1967*, namely to provide, lay and improve, maintain and manage Mugdock Country Park. The Joint Committee is acting on behalf of East Dunbartonshire Council and Stirling Council in this regard. Administrative and Funding Arrangements for Mugdock Country Park are conducted in accordance with the Minute of Agreement between East Dunbartonshire Council and Stirling Council. A new Minute of Agreement between the authorities is effective for the period 2019 to 2024 and is due to be signed in the near future. Capital expenditure is now split 50/50 between the respective authorities, and Stirling Council pays a fixed revenue contribution of £50,000 per annum.

The net assets of the Joint Committee at 31 March 2024 were nil. Title to the community assets of Mugdock Country Park rests with Stirling Council. Under the revised management agreement, which came into effect from 1 April 2008, East Dunbartonshire Council has beneficial use of the fixed assets of Mugdock Country Park. East Dunbartonshire has a lease on these assets for £1 per year until 2049. Accordingly, it has been considered appropriate that the Park's fixed assets are consolidated into the accounts of the Council. At 31 March 2024, the total net book value of the Park's buildings and equipment was £0.873m and of community assets was £2.180m.

*IAS19: Employee Benefits* sets out the reporting requirements for retirement benefits. The purpose of these pension disclosures is to provide clear information on the impact of an organisation's obligation to fund the retirement benefits of its staff on its financial position and performance. There is, therefore, a requirement to disclose certain information concerning assets, liabilities, and income and expenditure related to the pension schemes for employees.

Under the terms of the Minute of Agreement between the Council and Stirling Council, the Council is the permanent employer of the staff of Mugdock Country Park and deals with all payments related to the Local

Government Pension Scheme. For that reason, revenue commitments and balance sheet disclosures for the purposes of IAS19 are identified within the accounts for the Council rather than those for Mugdock Country Park. The employees of Mugdock Country Park are members of the Local Government Pension Scheme and the required accounting treatment is made with the accounts of the Council.

## b) *Joint Ventures*

### **East Dunbartonshire Health and Social Care Partnership**

This is the statutory body responsible for integrating health and social care in the East Dunbartonshire area and it was established by order of Scottish Ministers on 27 July 2015 and empowered on 3 September 2015. In 2023/24, the Partnership managed services worth £95.948m on behalf of the Council. The Council also provided some support services to the Integration Joint Board at no cost as a "service in kind". These accounting arrangements are in line with the agreement of the Integration Joint Board of 3 September 2015, have been reported to the Council's Policy and Resources Committee of 2 June 2016 and were approved at Council of 21 June 2016.

There is a risk to the Council that there could be an overspend on social care by EDHSCP. Accurate monitoring of expenditure and income by EDHSCP and the Council should highlight any issues at an early stage so action can be taken to resolve them.

Accounts for the Partnership are published separately and can be obtained from:

East Dunbartonshire Health and Social Care Partnership  
Kirkintilloch Health & Care Centre  
10 Saramago Street  
Kirkintilloch  
G66 3BF

## c) *Associates*

### **Dunbartonshire and Argyll and Bute Valuation Joint Board**

This is the statutory body formed under the *Valuation Joint Boards (Scotland) Order 1995*, and is responsible for carrying out the valuation responsibilities of the three local authorities within its boundary, namely East Dunbartonshire Council, West Dunbartonshire Council and Argyll and Bute Council. In 2023/24 the Council contributed £0.766m (2022/23 £0.768m) to the Board's estimated operating costs, which represents the Council's 27.62% agreed share of costs for the year.

Accounts for the Joint Board are published separately and can be obtained from:

The Treasurer  
Dunbartonshire and Argyll and Bute Valuation Joint Board  
West Dunbartonshire Council Offices  
16 Church Street  
Dumbarton  
G82 1QL

## **5. *Non-Consolidated Interests in Other Entities***

The Council has an interest in various other entities, as summarised below. These entities are part of the Council's group for the purposes of Group Accounts and, as such, it is recognised that the nature of the relationship with these bodies should be included in these Notes. However, it has been decided that the Council's share of the net worth of these entities is not material to a fair understanding of the financial position of the Council, and so they have not been consolidated into the Group Accounts.

### **Strathclyde Partnership for Transport**

This is the statutory body responsible for formulating the public transport policy for 12 local authorities in the West of Scotland. In 2023/24, the Council contributed £1.763m (2022/23 £1.729m) to the Partnership's estimated central operating costs, which represents the Council's agreed share of costs of the year (4.85%).

Accounts for the Partnership are published separately and can be obtained from:

The Treasurer  
Strathclyde Partnership for Transport  
131 St Vincent Street  
Glasgow  
G2 5JF

### **Strathclyde Concessionary Travel Scheme Joint Committee**

This scheme is provided for 12 local authorities in the West of Scotland. The Joint Committee is responsible for the operation of the concessionary fares scheme for public transport within this area. The costs of the scheme are met by the 12 local authorities and by the Scottish Government. Strathclyde Partnership for Transport administers the scheme on behalf of the Joint Committee. In 2023/24, the Council contributed £0.232m (2022/24 £0.228m) to the Joint Committee's estimated operating costs, which represents the Council's agreed share of costs for the year (5.61%). Accounts for the Joint Committee are published separately and can be obtained from Strathclyde Partnership for Transport at the address given above.

### **East Dunbartonshire Development Company**

The principal business was to provide rental accommodation for businesses located within the Council area. Following disposal of the property portfolio and the resolution of some related legal issues, the intention is to wind up the company. The Directors of the company include one officer and two Elected Members of the Council. The Council has purchased all the shares and fixed assets of the company. The Council has taken on full obligations associated with the purchase of the assets and, as these are already reflected in the Council's accounts, no further consolidation is required. The accounts of the company are published separately and can be obtained from:

East Dunbartonshire Development Company Limited  
c/o Scott-Moncrieff  
25 Bothwell Street  
Glasgow  
G2 6NL

### **Kirkintilloch's Initiative Limited**

This company is limited by guarantee and its principal business is to project manage the local regeneration initiative in Kirkintilloch. This is jointly developed and funded by the Council and NHS Greater Glasgow and Clyde. Two Council officers serve as directors of the company.

The company holds no material fixed assets and has no long-term liabilities. As at the end of the financial year, there are no amounts due to or from the company in the accounts of the Council. Copies of the accounts can be obtained by writing to:

Kirkintilloch's Initiative Limited  
c/o East Dunbartonshire Council  
Southbank Marina  
12 Strathkelvin Place  
Kirkintilloch  
G66 1TJ

### **Scotland Excel**

A centre of procurement expertise for local authorities in Scotland. Its remit is to deliver best value for public services by securing cost reductions, improving best practice in procurement capacity and capability and to create a forum and communication medium for positive engagement with suppliers. Scotland Excel is a non-profit making organisation funded mainly by participating local authorities. The Council contributed £0.089m (2.2%) to the consortium in 2023/24 (2022/23 £0.086m, 2.2%).

### **Glasgow and Clyde Valley Strategic Development Planning Authority Joint Committee (Clydeplan)**

Comprises the eight councils within its area who work together on strategic development planning matters. The principal role of the Joint Committee is to prepare and maintain an up to date Strategic Development Plan for the area. This process involves engagement through joint working and consultation with a number of key stakeholder organisations and the wider community. The Council contributed £0.053m (12.5%) in 2023/24 (2022/23 £0.068m, 12.5%).

### **Hub West Scotland Limited**

Hub West Scotland (Hubco) is a public private development organisation, limited by shares. It works with its public sector partners to plan, design, build, fund and maintain buildings in the most efficient and effective manner, delivering better value for money and ultimately improving public services. The Council is one of eight public sector partners who hold equal shares in the organisation, alongside Wellspring and Scottish Futures Trust. Hubco is currently engaged in the Council's Primary School Improvement Programme, the community hubs and a few other capital projects.

## SEEMIS Group LLP

This limited liability partnership involves 28 local authority members and is concerned with the provision of information technology solutions to its member councils. The Council paid £0.170m for services in 2023/24 (2022/23 £0.179m) and was entitled to a membership percentage of 2.46% in 2023/24 (2022/23 2.46%).

## Dunbartonshire Educational Trust Scheme 1962

The Trust is registered with the Office of the Scottish Charity Regulator (OSCR). The Trust's income from its bequests and endowments is to be used for educational prizes and bursaries in the local authority areas formerly covered by the Dunbartonshire County education department. West Dunbartonshire Council administers the Trust.

## Glasgow and Clyde Valley Cabinet (City Deal)

A Joint Committee established on 20 January 2015. The purpose of the Committee is to determine the strategic development priorities for the Clyde Valley region and to monitor and ensure the delivery of the City Deal programme as agreed between member authorities and the UK and Scottish Governments. The City Deal programme anticipates the delivery of a £1.1bn investment programme and, in addition, delivery of labour market and innovation programmes. The Council contributed £0.090m (5.90%) in 2023/24 (2022/23 £0.079m, 5.90%).

## 6. Financial Impact of Consolidation

### a) Group Balance Sheet Statement

By including the group entities, the effect on the Group Balance Sheet is an increase in both Reserves and Net Assets (excluding minority interests) of £14.394m (£13.216m 2022/23). This represents the Council's share of the net assets of these entities.

### b) Group Comprehensive Income and Expenditure Statement

The notes contained in the Council's single entity accounts are not significantly changed as a result of consolidation of group entities. In addition to the Balance Sheet, the only other item of a material nature is in relation to the Group Comprehensive Income and Expenditure Statement, as follows:

2022/23 Restated	Total Comprehensive (Income) and Expenditure	2023/24
£000		£000
(4,603)	East Dunbartonshire Leisure & Culture Trust	(70)
68	Common Good and Trust Funds	(75)
3,464	Integration Joint Board	(1,172)
205	Dunbartonshire and Argyll and Bute Valuation Joint Board	138
<b>(866)</b>	<b>Total for Consolidated Group Entities</b>	<b>(1,179)</b>
(32,292)	East Dunbartonshire Council single entity accounts	62,240
<b>(33,158)</b>	<b>Total for Group Comprehensive Income &amp; Expenditure Statement</b>	<b>61,061</b>