West Suffolk Council

Draft Statement of Accounts

2025 to 2026

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Accessibility statement

We are aware that, owing to the nature and format of the disclosures that are required to be included in this document, not all of the tables are fully compatible with accessibility standards.

Should you have any questions regarding this statement of accounts or require any of the tables or disclosures to be provided in a more accessible format please contact accountancy@westsuffolk.gov.uk

Introduction

About the area

West Suffolk is a predominantly rural area of 1,035 square kilometres in the heart of East Anglia with a population of 188,485 (source Office for National Statistics, mid-year estimate 2024, published July 2025). Well-connected with London, the rest of East Anglia and the Midlands, West Suffolk is a safe and comparatively prosperous place in which to live. West Suffolk has a thriving and diverse economy across its rural areas and six market towns, embracing a number of business sectors, including horseracing, a developing advanced manufacturing and engineering sector and several that support the two major US Air Force bases at RAF Mildenhall and Lakenheath. It also has some beautiful and accessible countryside areas, including grassland, heath and forest. At the same time, some areas of West Suffolk are facing challenges such as rural isolation, a lack of skills or qualifications, an ageing population in need of more specialist housing or care, poverty, ill-health or deprivation.

The map opposite shows the district of West Suffolk, including the main towns, points of interest including Mildenhall and Lakenheath airbases, and the major trunk roads.

West Suffolk Council was formed on 1 April 2019, from the two predecessor councils of St Edmundsbury Borough and Forest Heath District Council. It is made up of 64 councillors and was led by the West Suffolk Working Partnership (WSWP) during 2025 to 2026. It operated under a leader and cabinet style of governance. Councillors were elected to West Suffolk Council in May 2023.

Further information can be found by following the links below:

Suffolk Observatory

West Suffolk Council's Strategic Priorities

Narrative report by the Chief Financial Officer

1. Introduction

1.1 I am pleased to introduce the council's Statement of Accounts for 2025 to 2026. West Suffolk Council provides a diverse range of services to its residents. These services include refuse collection, leisure and recreation, housing options, car parking, environmental health, economic development, planning and development control and many more which support our families, communities, and businesses.

1.2 The Statement of Accounts for the council summarises the transactions that have taken place during the year 1 April 2025 to 31 March 2026 and are intended to give an overall view of the council's financial position. The accounts have been produced to show all the financial statements and disclosure notes required by statute by complying with the Code of Practice on Local Authority Accounting in the United Kingdom issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The accounting statements have also been prepared in accordance with the Accounts and Audit Regulations 2015.

2. Introducing West Suffolk Council

2.1 West Suffolk Council is nationally recognised for its innovative approach to local government transformation, delivering better outcomes, supporting the local economy and managing growth effectively.

2.2 The council has responsibility for the West Suffolk area, with a population of 188,485 (source Office for National Statistics, mid-year estimate 2024, published July 2025), working in partnership to invest in and enable local communities. The council is a District Council and has responsibility for services including, but not limited to:

- Housing
- Waste and recycling collections
- Street cleansing
- Car parking
- Parks, open spaces and leisure
- Electoral registration
- Local planning
- Public protection, including licensing and environmental health.

2.3 In another challenging year, we have continued to support our local communities and businesses while driving forward our ambitious vision for growth, jobs, environmental resilience and economic prosperity.

2.4 West Suffolk's Strategic Priorities for 2024 to 2028 have been developed alongside the Medium-Term Financial Strategy meaning we can take a coherent approach to what we want to see achieved in West Suffolk in the coming years. The document is available here West Suffolk Council's Strategic Priorities 2024-28

3. Income - a key part of our financial performance

3.1 Council Tax covers around a sixth of the cost of services provided by West Suffolk Council (excluding Housing Benefit payments administered on behalf of Central Government). As such, Government requires councils to raise income to deliver services. Over 70 per cent of West Suffolk Council's £73 million budget is funded locally with income from fees and charges adding to the money raised through council tax. This income generation is critical for delivery of public services set against a background of a changing dynamic funding for district councils like West Suffolk. Income levels across the UK have been severely impacted over the last few years by the cost-of-living crisis, and increased inflation. This has impacted our communities and businesses, has increased demand on some of the council's services such as housing, and has also brought additional pressures on council budgets up and down the country.

3.2 West Suffolk Council continually track the trends on the different income streams that are included in our budget and this outturn position. Each income stream is subject to different pressures, both national and local, which can drive variances against these trends and predictions. The data collected during the year 2024 to 2025 helped inform a revised income budget level for each council income stream in the 2025 to 2026 budget using a balanced risk approach. The year-end outturn position indicates that income overall is close to our plan with a good bounce-back in income relating to the housing market (planning, building control and land charges income) following the significant shortfall in 2024 to 2025. This is supported by above budget performance in income from our solar farm, car-park usage and ticket sales at the Apex venue in Bury St Edmunds. There are some shortfalls caused by reduced utility and service level income from vacancies in West Suffolk Council's property estate (see report PAS/WS/26/009).

3.3 Performance of the council's income streams are a key part of in-year monitoring. They help inform our ongoing annual budget setting processes as we continue to understand if the impact of any changes in people's behaviour, are likely to be temporary or become more permanent. The council also looks at what is happening to other similar services and authorities across England to help inform its view.

4. Impact of inflation and wider economic conditions

4.1 In addition to closely monitoring our income levels, other global economic pressures continue to have an impact on the council's finances. Whilst trends in energy costs and the broader inflationary impact on commodities, were reflected in the 2025 to 2026 budget (report reference COU/WS/25/005), variances on electricity, water and software maintenance and subscriptions are contributing towards the council's budgetary pressures. A number of these pressures were taken into account for the 2026 to 2027 budget (report reference COU/WS/26/005).

4.2 Global economic pressures have, however, had some positive impacts on the budget. Interest rates remaining high have resulted in increased investment income, and fuel prices remaining below budget levels for the majority of the year has led to savings for 2025 to 2026. These are not anticipated to continue into 2026 to 2027 given the increases in fuel prices seen as a result of the conflict in the Middle East.

4.3 In addition, higher electricity costs mean renewable measures that the council has invested in, such as Toggam Solar Farm, solar panels on buildings and battery chargers, bring in valuable income streams for the council for the delivery of services as well as reducing our energy consumption and continuing to partially protect us against these rising costs and we strive to reduce our reliance on energy from the grid. In addition, Council initiatives such as Solar for Business have not only brought in income for the authority but have also helped businesses keep their electricity bills down and reduce their carbon emissions' impact on the environment.

4.4 The council's approved budget for 2025 to 2026, which was set in February 2025 (report reference COU/WS/25/005), included a 3 per cent assumption in respect of the local government pay award. The pay award was subsequently agreed nationally at 3.2 per cent. The council continues to manage the impact of the pay award within the overall employment costs through in-year vacancy management and then within the overall budget position.

5. Overview of the financial year 2025 to 2026

5.1 Due to the national and global impacts and challenges set out above, the year-end position included a number of variances to budget. However, despite these variances, the outturn showed a surplus position of £505,702 (0.70 per cent of the total income budget). The council had forecast a £230,425 surplus in December 2025.

5.2 At 1 April 2025 the council's General Fund (its contingency reserve which represents around 20 per cent of the net budget) balance stood at £5.62 million. This is money put aside by the council as part of its prudent financial planning to help manage unforeseen or unprecedented issues that impact on the authority. Given the year end position, this grew to a balance of £6.13 million at 31 March 2026. £0.83 million of this balance will be partly utilised to meet the funding requirements of the High Street Competitiveness Fund included in the 2026 to 2027 Budget. This is in excess of the agreed £5 million policy level, and as such will provide some additional coverage to the council's 2026 to 2027 budget plans going forward.

5.3 The following tables show the sources of the council's income for 2025 to 2026, and how it was spent on services (excluding accounting adjustments required by International Financial Reporting Standards):

Where the money came from in 2025 to 2026	**£000**	**Per cent**
Council taxpayers	12,195	11.2
Business rates	12,912	11.8
Fees, charges and other income	41,928	38.5
Housing benefit subsidy	22,596	20.7
Government grants	7,799	7.2
Transfers from reserves	9,196	8.4
Interest and investment income	2,381	2.2
Total income	**109,007**	**100.0**

Where the money was spent in 2025 to 2026	£000	Per cent
Cost of employment	39,854	36.5
Housing benefit payments	23,401	21.5
Supplies and services	13,214	12.1
Premises	9,482	8.7
Transport	1,732	1.6
Third party payments	3,021	2.8
Transfers to reserves	16,513	15.1
Capital costs	1,284	1.2
Transfer to General Fund	506	0.5
Total expenditure	**109,007**	**100.0**

5.4 Details of significant variances against budget can be seen in the report reference PAS/WS/26/009, entitled '2025 to 2026 Performance Report Quarter Four' considered by the Performance and Audit Scrutiny Committee on 4 June 2026.

5.5 The council's capital expenditure for 2025 to 2026 (set out in the same report as in 5.4 above) totalled around £27.7 million, which included investment in preparing for the commencement of the national Better Recycling initiatives (£1.2 million), the purchase of land for the potential extension of the municipal waste management station (£3.3 million), the development of Olding Road, Bury St Edmunds (£1.6 million), the purchase of properties to use as temporary accommodation (£2.2 million), refurbishment of Bury Leisure Centre (£2.3 million), investment in the Decarbonisation and Net Zero initiatives (£2.1 million), and purchase of vehicles and plant (£2.1 million), delivery of the council's property and leisure asset management plans (£3.2 million) and the council's wholly owned housing company Barley Homes through its revolving loan facility (£3.1 million). The council spent approximately £1.9 million on capital grants within the year. Around £7.1 million of the total £27.7 million spend for 2025 to 2026 was funded from the council's revenue reserves, a further £5.3 million from grants and contributions, and £6.1 million being funded from useable capital receipts. The remaining amount was funded through the council's internal and external borrowing as agreed as part of the business cases for each of the capital projects.

6. Material and unusual charges or credits within the statements

6.1 The council invested in its land and buildings during 2025 to 2026, as referenced above, for both statutory and growth purposes.

7. What do the accounts mean?

7.1 Users of the financial statements will have a variety of interests; some of the primary areas of interest will be:

- Did the council make a surplus or deficit for the financial year?
- What is the size of the council reserves?

- What does the council spend its money on?
- Where does the council receive income from?

7.2 Hopefully the information contained in this narrative and below will answer these questions. There is also a lot more information contained within these financial statements and notes, and these have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Code of Practice for Local Government, to allow comparability with other local government accounts as well other public and private sector financial statements.

8. Explanation of the statements

8.1 The statements included in the accounts are explained below:

8.2 **The Statement of Responsibilities for the Statement of Accounts** identifies the officer who is responsible for the proper administration of the council's financial affairs, including the communication that the accounts present a true and fair view of the financial position of the council.

8.3 **The Expenditure and Funding Analysis** is a note to the accounts and not a core statement. However, in accordance with the code of practice, it has been given due prominence in the accounts and sits ahead of the statements. It demonstrates to council taxpayers how the funding available to the authority (in other words government grants, 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 also shows how this expenditure is allocated for decision making purposes between the council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

8.4 **The Comprehensive Income and Expenditure Statement** shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

8.5 **The Movement in Reserves Statement** shows the movement in the year on the different reserves held by the council, analysed into 'usable reserves' (in other words those that can be applied to fund expenditure or reduce local taxation) and other reserves.

8.6 **The Balance Sheet** 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 which are reported in two categories. The first category of reserves are usable reserves, in other words those reserves that the council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category of reserves is those that the council is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

8.7 **The Cash Flow Statement** summarises the inflows and outflows of cash arising from revenue and capital transactions with third parties. The statement excludes internal movements of funds between the council's accounts.

8.8 **The Collection Fund** shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to local authorities and the government of council tax and business rates.

8.9 **Group Accounts** show the combined income and expenditure and balances of all the constituent bodies inclusive of any significant subsidiary.

9. Retirement benefits

9.1 The council is required to include information on retirement benefits within the Statement of Accounts which must be in accordance with International Accounting Standard 19.

9.2 This is a summary of the treatment of pensions and other forms of retirement benefits for the narrative report.

9.3 The figures contained in the Statement of Accounts are based on the latest actuarial valuation of the pension fund as at 31 March 2026 by Hymans Robertson LLP, an independent firm of actuaries. This stated that the fund's assets were more than its liabilities. The council's proportion of this net asset was estimated at £93.43 million.

9.4 This net asset has arisen primarily from actuarial gains as a result of more favourable financial assumptions than previously anticipated.

9.5 Under International Accounting Standard 19 (IAS19) Employee Benefits, where the defined pension benefit obligation is shown as an asset, this is restricted to the value of the 'asset ceiling'.

9.6 This asset ceiling is shown as the present value of any economic benefits available in the form of refunds from the plan or reductions in future employer's contributions, after taking into account any minimum funding requirement split between future service and past service elements. Past service contributions can give rise to an additional liability being recognised under the asset ceiling rules. At 31 March 2026 the effect of the council's asset ceiling has been to reduce the net asset position by £94.505 million, resulting in a liability of £1.075 million that is shown in the balance sheet.

9.7 In spite of the asset ceiling restricting the reported worth of the pension fund to a liability of £1.075 million, the underlying net defined benefit asset of £93.43 million shows that the council's pension fund is currently in a healthy position, being able to meet its underlying commitments in the long run to pay retirement benefits.

9.8 The total asset or liability on the pension fund has a substantial impact on the net worth of the council as recorded in the Balance Sheet. However, it should be noted that the pension scheme contributions over the remaining working life of employees will be reviewed and assessed by the scheme actuary on an ongoing basis.

9.9 It should be noted that the pension fund's accounts have still to be audited so the figures upon which these accounts have been based might be subject to change.

9.10 Further detail in relation to retirement benefits can be found in Note 32 (page 87) to the accounts.

10. Significant provisions, contingencies or write-offs

10.1 The council has reduced its provisions by £1.2 million during the year to £1.4 million for the financial year ending 31 March 2026. These provisions are detailed in Note 21 (page 65) to the accounts.

10.2 The council has included various contingent liabilities (Note 33 – page 96) and contingent assets (Note 34 – page 97) within the accounts.

11. Significant cashflows present and future

11.1 During 2025 to 2026 West Suffolk Council made further loans to its wholly owned housing delivery company, Barley Homes, totalling £3.135 million. Further details are given in Note 4 Material Items of Income and Expense (page 31).

12. Key strengths and resources

Employees

12.1 As at March 2026, West Suffolk Council employed 831 staff, with a voluntary staff turnover rate of 9.33 per cent and an average sickness level of 7.17 days per full time equivalent (FTE) member of staff during 2025 to 2026. The total number of staff employed is significantly higher than the previous period (720 FTE) due to bringing part of the Verse facilities management contract, and the Apex bar and café staff back in-house, as well as the additional resources required for Better Recycling. Both staff turnover and sickness have decreased compared to the previous year.

12.2 West Suffolk Council is committed to investing in all West Suffolk staff, through corporate learning opportunities, bespoke training, individual qualifications and bringing on local school leavers through apprenticeships.

Land and buildings

12.3 The value of land and buildings owned by West Suffolk Council (not including plant and equipment) in 2025 to 2026 was £261.7 million.

12.4 Fees are charged in association with the use of these assets by third parties – for example, car parking charges, leases of industrial units and rent for office accommodation within our main office buildings (see Note 31 Leases – page 85).

Governance

12.5 The details on the governance of West Suffolk Council are available in the Annual Governance Statement (accompanying the final accounts) and show how the council has:

- conducted its activities in a lawful way, in accordance with proper governance standards
- put in place arrangements to ensure public money is safeguarded and accounted for being used in an economic, efficient, and effective way
- managed risks to its business
- put in place arrangements to secure continuous improvement in the way in which its functions are exercised, having regards to economic, efficiency and effectiveness.

13. Progress and achievement

13.1 The West Suffolk Council Annual Report 2025 to 2026, which will be published following Cabinet consideration in summer 2026, covers the period from 1 April 2025 to 31 March 2026. The report will highlight the progress and achievements of West Suffolk Council over the past year in achieving our vision and priorities.

13.2 This report will present our key accomplishments in a series of infographics that are categorised under the three priorities that we set out in our Strategic Framework 2024 to 2028.

13.3 These priorities are focused on supporting the district to flourish through the delivery of: affordable, available and decent homes; environmental resilience; sustainable growth; thriving communities; and getting the essentials right.

14. Performance indicators

14.1 A range of key performance indicators are reported monthly to the West Suffolk Council leadership team and on a quarterly basis to Portfolio Holders and the Performance and Audit Scrutiny Committee. As a result of scrutiny of the performance information, further, more in-depth analyses of performance on individual topics are carried out for discussion by officers and members.

14.2 This year, a review of the key performance indicators was undertaken to evaluate the current suite of measures and ensure they are providing an accurate reflection of the council's work being delivered by services, are relevant to councillors and correspond with the strategic priorities of the council. That review has now been completed, and a revised suite of indicators will be reported on in the 2026 to 2027 financial year.

14.3 The Council's performance information can be accessed here: How we are doing (westsuffolk.gov.uk).

15. Material events after the reporting date

15.1 Note 5 (page 32) details any material events which occurred after the Balance Sheet date.

16. Audit arrangements

16.1 Following the Government's consultation on the future of local public audit, Ernst and Young LLP were awarded the contract for the audit of West Suffolk Council's accounts for a five year period commencing with the financial year 2023 to 2024.

17. Looking to the future

17.1 In September 2025, the Suffolk district and borough councils submitted a detailed business case to government outlining their final proposals for local government reorganisation (LGR) in the county. Government subsequently announced a statutory consultation on all submitted LGR proposals for areas in the devolution priority programme. The consultation ran from September 2025 to January 2026.

17.2 In March 2026, the Secretary of State for Housing, Communities and Local Government confirmed that they are minded to create three unitary councils in Suffolk. Under the new arrangements, the new councils will come into operation in April 2028, with elections scheduled for 2027 to establish the shadow authorities responsible for shaping and overseeing the transition.

17.3 The six existing councils have started the preparatory work, and will now begin detailed planning on the transition, with further information to be shared once plans are confirmed.

17.4 To assist the LGR process, government confirmed in December 2025, that elections to a new Norfolk and Suffolk mayoral combined authority, with strategic powers over funding, transport, skills and employment provision, housing and business support have been delayed until May 2028.

17.5 West Suffolk Council remains a high performing and ambitious council. While major changes are coming, significant events have occurred and been managed within our budgets in recent years. This demonstrates the solid fundamentals and positive culture that exist in West Suffolk Council. It is a reflection of this that in this time of uncertainty, the council remains financially sound.

17.6 West Suffolk Council has continually refined its Medium-Term Financial Strategy in light of these challenges, with a focus on financial sustainability, maintaining the general fund reserve and balancing the new levels of income and expenditure.

17.7 The council’s flexible and adaptable approach will continue to involve investing in specific projects to support self-sufficiency, maintaining essential services and generating wider benefits for communities, as well as investing in social and physical assets and infrastructure to reduce upfront costs.

Certificate of approval for the Statement of Accounts

The Statement of Accounts for the year 1 April 2025 to 31 March 2026 has been prepared and I confirm that these accounts were approved by West Suffolk Council at the meeting held on (to be inserted at the conclusion of the audit).

Signed:

Councillor Peter Armitage
Chair of Performance and Audit Scrutiny Committee

Date:

Statement of responsibilities for the Statement of Accounts

The council's responsibilities

The council is required to:

- make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this council that officer is the Chief Financial Officer, who is the Chief Operating (S151) Officer

- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets

- approve the Statement of Accounts.

The Chief Financial Officer's responsibilities

The Chief Financial Officer is responsible for the preparation of the council's Statement of Accounts in accordance with proper practices as set out in the CIPFA and LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this statement of accounts the Chief Financial Officer has:

- selected suitable accounting policies and then applied them consistently

- made judgements and estimates that were reasonable and prudent

- complied with the local authority code.

The Chief Financial Officer has also:

- kept proper accounting records which were up to date

- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate by the Chief Financial Officer (S151 Officer)

I certify that the Statement of Accounts has been prepared in accordance with the proper accounting practices and presents a true and fair view of the financial position of the council as at 31 March 2026 and its income and expenditure for the year then ended.

Signed:

Gregory Stevenson

Gregory Stevenson
Head of Service (Finance) (Deputy Section 151 Officer)

Date: 29 May 2026

Councillor Diane Hind
Portfolio Holder for Resources and Property

Date:

Expenditure and Funding Analysis

The Expenditure and Funding Analysis (EFA) shows how annual expenditure is used and funded from resources (government grants, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

The status of the EFA is that it is a note to the financial statements and is not a core financial statement. However, in accordance with the requirements of the Code of Practice, it has been given due prominence ahead of the main statements in order to assist users' understanding.

	2025 to 2026			2024 to 2025		
	Net expenditure chargeable to the General Fund	**Adjustments between funding and accounting basis (Note 7)**	**Net expenditure in the Comprehensive Income and Expenditure Statement**	**Net expenditure chargeable to the General Fund**	**Adjustments between funding and accounting basis (Note 7)**	**Net expenditure in the Comprehensive Income and Expenditure Statement**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Chief Operating Officer	8,214	1,195	**9,409**	6,364	3,185	**9,549**
Housing, Communities and Regulatory	3,721	(881)	**2,840**	3,472	833	**4,305**
Planning and Growth	2,410	(655)	**1,755**	3,360	(299)	**3,061**
Operations	7,936	2,257	**10,193**	7,506	1,317	**8,823**
Deputy Chief Executive	1,062	(105)	**957**	1,024	(47)	**977**
Net cost of services	**23,343**	**1,811**	**25,154**	**21,726**	**4,989**	**26,715**
Other income and expenditure	(23,793)	(8,065)	**(31,858)**	(21,835)	(10,466)	**(32,301)**
(Surplus) or deficit on provision of services	**(450)**	**(6,254)**	**(6,704)**	**(109)**	**(5,477)**	**(5,586)**
Opening General Fund balance at 1 April	**(5,625)**			**(5,516)**		
Add: (Surplus) or deficit on General Fund in the year	**(450)**			**(109)**		
Add: In-year contribution (to) or from General Fund	**(55)**			**0**		
Closing General Fund balance at 31 March	**(6,130)**			**(5,625)**		

Comprehensive Income and Expenditure Statement

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation.

Councils raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

	Note	2025 to 2026 Gross expenditure £000	2025 to 2026 Gross income £000	2025 to 2026 Net expenditure /(income) £000	2024 to 2025 Gross Expenditure £000	2024 to 2025 Gross Income £000	2024 to 2025 Net Expenditure /(Income) £000
Chief Operating Officer		49,266	39,857	**9,409**	54,542	44,993	**9,549**
Housing, Communities and Regulatory		9,515	6,675	**2,840**	10,153	5,848	**4,305**
Planning and Growth		5,385	3,630	**1,755**	5,467	2,406	**3,061**
Operations		33,143	22,950	**10,193**	28,828	20,005	**8,823**
Deputy Chief Executive		964	7	**957**	984	7	**977**
Cost of Services		**98,273**	**73,119**	**25,154**	**99,974**	**73,259**	**26,715**
Other operating expenditure	11	5,961	0	**5,961**	5,539	0	**5,539**
Financing and investment income and expenditure	12	1,891	2,381	**(490)**	1,747	2,736	**(989)**
Taxation and non-specific grant income	13	0	37,329	**(37,329)**	0	36,851	**(36,851)**
(Surplus) or deficit on provision of services		**106,125**	**112,829**	**(6,704)**	**107,260**	**112,846**	**(5,586)**
Surplus on revaluation of Property, Plant and Equipment assets	22			**(14,927)**			**(9,139)**
Actuarial (gains) or losses on pension assets and liabilities	32			**(21,292)**			**(1,080)**
Other comprehensive (income) or expenditure				**(36,219)**			**(10,219)**
Total comprehensive (income) or expenditure				**(42,923)**			**(15,805)**

Movement in Reserves Statement

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

Prior year movements - 2024 to 2025	Note	General Fund and Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
		£000	£000	£000	£000	£000	£000
Balance as at 1April 2024		**49,958**	**10,468**	**264**	**60,690**	**196,452**	**257,142**
Movements in reserves during 2024 to 2025							
Total comprehensive income and expenditure		5,593	(7)	0	**5,586**	10,219	**15,805**
Adjustments between accounting basis and funding basis under regulations	9	1,883	1,931	1,851	**5,665**	(5,665)	**0**
Increase or (decrease) in 2024 to 2025		**7,476**	**1,924**	**1,851**	**11,251**	**4,554**	**15,805**
Balance as at 31 March 2025 carried forward		**57,434**	**12,392**	**2,115**	**71,941**	**201,006**	**272,947**

Current year movements - 2025 to 2026	Note	General Fund and Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
		£000	£000	£000	£000	£000	£000
Balance as at 1 April 2025		**57,434**	**12,392**	**2,115**	**71,941**	**201,006**	**272,947**
Movements in reserves during 2025 to 2026							
Total comprehensive income and expenditure		6,704	0	0	**6,704**	36,219	**42,923**
Adjustments between accounting basis and funding basis under regulations	9	(5,997)	(5,009)	(1,084)	**(12,090)**	12,090	**0**
Increase or (decrease) in 2025 to 2026		**707**	**(5,009)**	**(1,084)**	**(5,386)**	**48,309**	**42,923**
Balance as at 31 March 2026 carried forward		**58,141**	**7,383**	**1,031**	**66,555**	**249,315**	**315,870**

Balance Sheet

The Balance Sheet on the following page shows the value of the assets and liabilities recognised by the council as at the date of the Balance Sheet.

The net assets of the council (assets less liabilities) are matched by the reserves held by the council.

Reserves are reported in two categories:

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

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

West Suffolk balance sheet	Note	31 March 2026 £000	31 March 2025 £000
Property, plant and equipment	14	302,838	275,800
Heritage assets	15	7,440	7,348
Intangible assets		176	187
Long-term investments	19	1,299	1,180
Long-term debtors	17	4,599	1,464
Long-term assets		**316,352**	**285,979**
Short-term investments	19	6,575	5,579
Assets held for sale	16	0	476
Inventories		593	266
Short-term debtors	17	18,373	15,159
Cash and cash equivalents	18	22,880	33,773
Current assets		**48,421**	**55,253**
Short-term borrowing	19	0	(2)
Short-term creditors	20	(28,635)	(24,062)
Short-term provisions	21	(1,010)	(2,205)
Short-term grants receipts in advance	28	(150)	(152)
Short-term lease liabilities	31	(93)	(96)
Current liabilities		**(29,888)**	**(26,517)**
Long-term provisions	21	(371)	(352)
Long-term borrowing	19	(9,000)	(9,250)
Long-term grants receipts in advance	28	(7,715)	(6,046)
Long-term lease liabilities	31	(854)	(852)
Other long-term liabilities	32	(1,075)	(25,268)
Long-term liabilities		**(19,015)**	**(41,768)**
Net assets		**315,870**	**272,947**
Usable reserves		(66,555)	(71,941)
Unusable reserves	22	(249,315)	(201,006)
Total reserves		**(315,870)**	**(272,947)**

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

Signed: Gregory Stevenson Date: 29 May 2026

Head of Service (Finance) (Deputy Section 151 Officer)

Cash Flow Statement

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

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

Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (for example borrowing) to the council.

	Note	2025 to 2026 £000	2024 to 2025 £000
Net (surplus) or deficit on the provision of services (from the Comprehensive Income and Expenditure Statement)		(6,704)	(5,586)
Adjustments to net (surplus) or deficit on the provision of services for non-cash movements	23	(4,923)	(6,407)
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	23	1,916	4,479
Net cash flows from operating activities		**(9,711)**	**(7,514)**
Investing activities	24	22,987	(17,982)
Financing activities	25	(2,383)	4,241
Net (increase) or decrease in cash and cash equivalents		**10,893**	**(21,255)**
Cash and cash equivalents at the beginning of the reporting period		(33,773)	(12,518)
Cash and cash equivalents at the end of the reporting period	18	**(22,880)**	**(33,773)**

Notes to the core financial statements

Note 1 Accounting standards that have been issued but have not yet been adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. This applies to the adoption of the new or amended standards within the 2026 to 2027 code.

At the Balance Sheet date, the following new standards and amendments to existing standards have been published but not yet adopted by the code:

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

None of these changes are expected to have a material impact on the Council's statements.

Note 2 Critical judgements in applying accounting policies

In applying the accounting policies, the council has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the financial statements are:

- Under international accounting standards relating to the Defined Benefits Pension Scheme (IAS19), a net asset restriction (asset ceiling) may apply to the value of the pension fund disclosed in the council's accounts. The accounting standards only set out high level principles and are, therefore, open to a wide range of interpretation regarding methodology. Following discussions with key Local Government Pension Scheme (LGPS) audit practitioners, the council's actuary (Hymans Robertson LLP), have calculated an asset ceiling by analysing the minimum funding requirement contributions split between future service and past service elements. This has given rise to the council recognising a net pension liability in its accounts (see also Note 32 Defined Benefits Pension Scheme – page 87).

- 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 sufficient to indicate that any of its assets might be impaired as a result of a need to close facilities or reduce levels of service provision.

- West Suffolk Council's predecessor authorities entered into contracts with Abbeycroft Leisure for the operation of the leisure centres, the athletics track and the management of bookings in relation to other sports facilities. Abbeycroft Leisure is a company limited by guarantee, with charitable status. The council does not have control of the company and has therefore determined that the company is not a subsidiary of the council (see also Note 29 Related Parties – page 78).

- On 25 October 2007, West Suffolk's predecessor authority, St Edmundsbury Borough Council, established a joint committee with Suffolk County Council for the purpose of overseeing the construction and operation of a new joint office building in Bury St Edmunds, West Suffolk House. The council has determined that this joint committee is accounted for as a 'jointly controlled operation' whereby each authority accounts for its share of costs and assets (see also Note 29 Related Parties – page 78).

- On 1 April 2006 the council's predecessor authority, Forest Heath District Council, joined Breckland District Council to set up the Anglia Revenues Partnership (ARP). The partnership was subsequently extended to include East Cambridgeshire, St Edmundsbury, Fenland, Suffolk Coastal and Waveney District Councils with effect from 1 April 2015. From 1 April 2019, Forest Heath and St Edmundsbury were replaced by the newly formed West Suffolk Council, and Suffolk Coastal and Waveney were replaced by East Suffolk Council. The ARP is governed on a joint committee basis, the purpose of which is to provide a shared revenues and benefits service for the member councils. The council has determined that this joint committee is accounted for as a 'jointly controlled operation' whereby each authority accounts for its share of costs and assets (see also Note 29 Related Parties – page 78).

- Barley Homes Group Limited is a company set up and wholly owned by the council to build homes for sale and rent. The council has determined that this company is within its group boundary and is a subsidiary of the council. As such, group accounts have been prepared since 2020 to 2021 (see also Note 29 Related Parties – page 78 and Group Accounts – page 107).

- Verse Facilities Management Limited is a joint venture company set up in 2015 between Vertas (a company wholly owned by Suffolk County Council), and West Suffolk Council's predecessor authorities (St Edmundsbury Borough Council and Forest Heath District Council). The shareholding is 60 per cent Vertas and 40 per cent West Suffolk Council. The main business of the company is to provide facilities management and property support services. The council has determined that this company is within its group boundary. However, as the sums involved are immaterial to the council's accounts, group accounts have not been prepared (see also Note 29 Related Parties – page 78).

- The council has undertaken a review of the potential outcome of significant legal claims by or against the council, full details of which are given in Note 33 Contingent Liabilities (page 96) and Note 34 Contingent Assets (page 97).

Note 3 Future assumptions and other major sources of estimation uncertainty

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

The items in the council's Balance Sheet at 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Property, plant and equipment - depreciation

Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the authority will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.

If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls.

It is estimated that the annual depreciation charge would increase by £1.145 million for every year that useful lives had to be reduced.

Property, plant and equipment - indexation

Assets are valued on a five-year rolling basis, supported by indexation adjustments in years where assets are not valued. Where the authority is unable to obtain a suitable index, a desktop revaluation of the asset is carried out in year three of the five-year cycle.

Based on the assets that were valued in the year as part of the five-year rolling revaluation programme, the average increase in the value of assets was 24.64 per cent. For those assets where indexation was applied, the average increase in the value of assets was 0.86 per cent.

However, under the transitional arrangements, indexation will be applied prospectively with no restatement of prior year figures. This means that the calculation of indexation gains or losses is compared to the 31 March 2025 index and not the index at the date the asset was last valued.

The per centages included above for indexation are, therefore, only representing one year of indexation. In comparison, the valuation changes as part of the five-year cycle represent gains or losses since the last revaluation five years ago.

Pensions liability

Estimation of the net asset or liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets.

A firm of consulting actuaries is engaged to provide the council with expert advice about the assumptions to be applied.

The effects on the net pension asset or liability of changes in individual assumptions can be measured.

The fund’s actuaries have advised that a 0.1 per cent decrease in the real discount rate assumption would result in a 1 per cent increase in the employer’s liability. In monetary terms this equates to around £3.00 million.

A 1 year increase in member life expectancy would result in an additional 4 per cent employer liability totalling approximately £8.11 million.

A 0.1 per cent increase in the pension increase rate would result in an additional 1 per cent employer liability totalling approximately £2.85 million.

Arrears

At 31 March 2026, the council had a sundry debt balance of £18.373 million (£15.159 million at 31 March 2025). A review of an aged debt analysis suggested that an allowance for doubtful debts in 2025 to 2026 of £3.101 million (£2.902 million in 2024 to 2025) would be appropriate. However, factors such as the current economic climate may impact on the actual level of bad debts experienced by the council.

If collection rates were to deteriorate, a doubling of the amount of the impairment of doubtful debts would require an additional £3.101 million to be set aside as an allowance.

Note 4 Material items of income and expense

The code requires disclosure of the nature and amount of any material items of income and expense incurred during the year.

Land and property expenditure

During 2025 to 2026 the council spent £2.96 million to improve and refurbish Bury Leisure Centre that will upgrade the facilities and services to better meet the needs of the community. As part of the refurbishment project, a range of energy efficiency and renewable measures are being installed, including a new sub-station to support the transition away from fossil fuel heating to electrical energy production systems.

The council has also spent £3.30 million on land adjacent to the Operational Hub to provide the necessary space to deliver new household waste collection services and support growth in West Suffolk.

Land and property revaluations

During 2025 to 2026 there were two material upwards revaluations.

West Suffolk Operational Hub had an upwards revaluation of £4.31 million. This is valued under the Depreciated Replacement Cost (DRC) method, and the increase is due to build costs and land values increasing since its last revaluation in 2020 to 2021.

Cratfield Road Unit 2 had an upwards revaluation of £2.99 million. This is valued under the Existing Use Value (EUV) method, and the increase is due to the passing rent increasing since its last revaluation in 2020 to 2021.

Loans to external organisations

No loans were repaid to the council during 2025 to 2026.

Loans totalling £3.135 million were granted to Barley Homes (Group) Limited in 2025 to 2026 from its agreed £14.25 million revolving loan facility with the council. As at 31 March 2026, the company has drawn down £4.035 million.

Barley Homes is the council's wholly owned housing delivery company, who are currently developing a fully policy compliant housing scheme in Rougham, delivering 13 new homes of which 4 will be affordable homes.

Vehicle and plant purchases

As part of its ongoing vehicle replacement programme, the council spent £2.1 million on vehicles and plant during 2025 to 2026.

An additional £1.2 million was spent on new vehicles and plant purchases for the Better Recycling initiative.

Net Zero

In order to ensure delivery of its commitment to reach net zero emissions the council has revised the time frame to 2039. As part of this delivery programme £1.6 million of the Net Zero Fund was spent in 2025 to 2026. This fund is to be used to improve the energy efficiency of council buildings, facilitate the move to an electrified vehicle fleet and expand the council's Solar for Business scheme.

Note 5 Events after the balance sheet date

The Draft Statement of Accounts was authorised for issue by the Head of Service (Finance)(Deputy S151 Officer) on 29 May 2026. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2026, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

There have been no events since 31 March 2026, and up to the date when these accounts were authorised, which require any adjustments to these accounts.

Note 6 Going concern

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025 to 2026 (the Code), which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector. The accounts have been prepared on the going concern basis.

The concept of a going concern assumes that an authority's functions and services will continue in operational existence for the foreseeable future. The provisions in the Code in respect of going concern reporting requirements reflect the economic and statutory environment in which local authorities operate. These provisions confirm that, as authorities cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting. Nonetheless, the council has carried out an exercise to demonstrate that it is a going concern based on its current and forecast future financial position.

The council has ended 2025 to 2026 in a robust financial position and, therefore, has a strong basis to withstand the challenging times expected in the months and years ahead for local government finances. Alongside setting a balanced budget for both 2026 to 2027 and 2027 to 2028, it reported a surplus outturn position for 2025 to 2026 of £0.506 million. This surplus has been contributed to the council's General Fund, increasing the balance from £5.625 million at the start of 2025 to 2026 to £6.13

million at the end of the financial year. This includes the commitment of £0.86 million towards the cost of the High Street Competitiveness Fund included in the 2026 to 2027 budget. Excluding this amount results in an uncommitted General Fund balance of £5.27 million which exceeds the £5 million minimum set by the council.

The council's year end balances, as reported in these statements, remain in a healthy position at the close of 2025 to 2026:

Date	**General Fund**	**Earmarked reserves**	**Total usable revenue reserves**
As at 31 March 2026	£6.13 million	£52.01 million	£58.14 million

It has been assessed that, after taking into consideration the council's medium term financial plans (2026 to 2030), £8.8 million of these earmarked reserves would be available to draw upon immediately to support the council's finances in an unforeseen event. This would be in addition to the £5.27 million uncommitted General Fund balance which is a contingency to cover the cost of unexpected expenditure during the year.

The council has also undertaken cash flow modelling for the next 12 months which demonstrates the council's ability to work within its Capital Financing Requirement and cash management framework without the need to borrow for operational purposes. In addition, the council has access to cash and short term investment balances of £29.5 million as reported in these accounts.

The council held external borrowing totalling £9 million at 31 March 2026, against an authorised boundary for borrowing for capital programme support of £122.1 million, as set out in our prudential indicators (intended to be sourced primarily from the Public Works Loan Board or the National Wealth Fund).

Overall, based on its cash flow forecast, borrowing potential and access to investment funds, as well as the level of general fund and reserve balances it holds, the council determines that it has sufficient liquidity to continue to deliver services for the foreseeable future. This takes account of forecast cash and short-term investment balances of £10 million at March 2027. The council thereby concludes that it is appropriate to prepare the financial statements on a going concern basis, and that the council will be a going concern, 12 months from the date of the approval of these draft financial statements as at 29 May 2026.

Note 7 Note to expenditure and funding analysis

The note below provides a reconciliation of the main adjustments to net expenditure chargeable to the general fund balance to arrive at the amounts in the Comprehensive Income and Expenditure Statement (CIES). The relevant transfers between reserves are explained in the Movement in Reserves Statement.

Current year - 2025 to 2026	**Adjustments for Capital Purposes (Note a)**	**Net change for the Pensions Adjustment (Note b)**	**Other differences (Note c)**	**Total adjustments**
	£000	**£000**	**£000**	**£000**
Chief Operating Officer	2,816	(1,740)	119	**1,195**
Housing, Communities and Regulatory	(577)	(489)	185	**(881)**
Planning and Growth	3	(445)	(213)	**(655)**
Operations	6,581	(1,471)	(2,853)	**2,257**
Deputy Chief Executive	0	(96)	(9)	**(105)**
Net cost of services	**8,823**	**(4,241)**	**(2,771)**	**1,811**
Other income and expenditure from the expenditure and funding analysis	(2,450)	1,340	(6,955)	**(8,065)**
Difference between general fund surplus or deficit and comprehensive income and expenditure statement (CIES) surplus or deficit on the provision of services	**6,373**	**(2,901)**	**(9,726)**	**(6,254)**

Previous year - 2024 to 2025	Adjustments for Capital Purposes (Note a)	Net change for the Pensions Adjustment (Note b)	Other differences (Note c)	Total adjustments
	£000	£000	£000	£000
Chief Operating Officer	3,731	(1,140)	594	**3,185**
Housing, Communities and Regulatory	701	(181)	313	**833**
Planning and Growth	3	(181)	(121)	**(299)**
Operations	4,444	(542)	(2,585)	**1,317**
Deputy Chief Executive	0	(40)	(7)	**(47)**
Net cost of services	**8,879**	**(2,084)**	**(1,806)**	**4,989**
Other income and expenditure from the expenditure and funding analysis	(4,974)	1,324	(6,816)	**(10,466)**
Difference between general fund surplus or deficit and comprehensive income and expenditure statement (CIES) surplus or deficit on the provision of services	**3,905**	**(760)**	**(8,622)**	**(5,477)**

Note a - 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, in other words Minimum Revenue Provision and other revenue contributions, are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices

- taxation and non-specific grant income and expenditure – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions, or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

Note b – Net change for the pension adjustments

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- For services this represents the removal of the employer pension contributions made by the council 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 Comprehensive Income and Expenditure Statement.

Note c – Other differences

Other differences between amounts debited or credited to the Comprehensive Income and Expenditure Statement and amounts payable or receivable to be recognised under statute:

- For financing and investment income and expenditure the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.

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

Note 8 Expenditure and income analysed by nature

The council’s expenditure and income incurred in the provision of services as shown in the Comprehensive Income and Expenditure Statement is analysed as follows:

	Note	2025 to 2026 £000	2024 to 2025 £000
Expenditure			
Employee benefits expenses		**35,621**	33,271
Other services expenses		**24,398**	24,133
Parish precept payments	11	**5,967**	5,585
Other third party payments		**5,447**	6,175
Housing benefit payments		**23,401**	27,886
Depreciation, amortisation and revaluation	9	**9,406**	8,509
Interest payable	12	**237**	243
Increase in impairment allowance for doubtful debts	12	**314**	180
Net interest on the net defined benefit liabillity asset	32	**1,340**	1,324
(Gain) or loss on the disposal of assets	11	**(6)**	(46)
Total expenditure		**106,125**	**107,260**
Income			
Fees, charges and other service income		**(42,347)**	(41,014)
Interest and investment income	12	**(2,381)**	(2,736)
Income from council tax	13	**(18,257)**	(17,397)
Income from business rates	13	**(15,200)**	(12,467)
Grants and contributions	28	**(34,644)**	(39,232)
Total income		**(112,829)**	**(112,846)**
(Surplus) or deficit on the provision of services		**(6,704)**	**(5,586)**

Notes

Other third party payments are payments made to external bodies (including Suffolk County Council and Abbeycroft Leisure), in return for the provision of a service.

This note includes all accounting adjustments required by international financial reporting standards. The figures in the tables at 5.3 of the Narrative Report (page 8) provides details of the council’s income and expenditure before these accounting adjustments.

Note 9 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 transactions for the year ended 31 March 2026 are as follows:

Current year - 2025 to 2026	Usable reserves			
	General fund balance £000	Capital receipts reserve £000	Capital grants unapplied £000	Movement in unusable reserves £000
Adjustments primarily involving the Capital Adjustment Account				
Reversals of items debited or credited to the Comprehensive Income and Expenditure Statement				
Charges for Depreciation and Impairment of non-current assets	8,754	0	0	(8,754)
Revaluation gains/losses on Property, Plant and Equipment	652	0	0	(652)
Capital Grants and Contributions applied	(4,249)	0	946	3,303
Revenue Expenditure funded from Capital under Statute	2,426	0	0	(2,426)
Amounts of non-current assets written off on disposal or sale as part of the gain / loss on disposal to the Comprehensive Income and Expenditure Statement	(6)	1,144	0	(1,138)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement				
Statutory provision for the financing of Capital Investment	(1,203)	0	0	1,203
Capital Expenditure charged against the General Fund Balance	(7,106)	0	0	7,106
Adjustments primarily involving the Capital Grants Unapplied Account				
Application of Grants to Capital Financing transferred to the Capital Adjustment Account	0	0	(2,030)	2,030

Current year - 2025 to 2026 (continued)	Usable Reserves			
	General fund balance £000	Capital receipts reserve £000	Capital grants unapplied £000	Movement in unusable reserves £000
Adjustments primarily involving the Capital Receipts Reserve				
Use of the Capital Receipts Reserve to finance new Capital Expenditure	0	(6,153)	0	6,153
Adjustments primarily involving the Accumulated Absences Adjustment Account				
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	19	0	0	(19)
Adjustments primarily involving the Pensions Reserve				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	4,827	0	0	(4,827)
Employer's Pension Contributions and direct payments to pensioners payable in the year	(7,728)	0	0	7,728
Adjustments primarily involving the Collection Fund Adjustment Account				
Amount by which council tax and non-domestic rating income credited to the Comprehensive Income and Expenditure Statement is different from council tax and non-domestic rating income calculated for the year in accordance with statutory requirements	(2,383)	0	0	2,383
Total Adjustments	**(5,997)**	**(5,009)**	**(1,084)**	**12,090**

Prior year - 2024 to 2025	Usable reserves: General fund balance £000	Usable reserves: Capital receipts reserve £000	Usable reserves: Capital grants unapplied £000	Movement in unusable reserves £000
Adjustments primarily involving the Capital Adjustment Account				
Reversals of items debited or credited to the Comprehensive Income and Expenditure Statement				
Charges for Depreciation and Impairment of non-current assets	7,937	0	0	(7,937)
Revaluation gains/losses on Property, Plant and Equipment	561	0	0	(561)
IFRS 16 Donated Asset / Peppercorn rent adjustment	(1,779)	0	0	1,779
Amortisation of Intangible Assets	12	0	0	(12)
Capital Grants and Contributions applied	(4,778)	0	1,874	2,904
Revenue Expenditure funded from Capital under Statute	3,126	0	0	(3,126)
Amounts of non-current assets written off on disposal or sale as part of the gain / loss on disposal to the Comprehensive Income and Expenditure Statement	(46)	1,731	0	(1,685)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement				
Statutory provision for the financing of Capital Investment	(1,128)	0	0	1,128
Capital Expenditure charged against the General Fund Balance	(5,393)	0	0	5,393
Adjustments primarily involving the Capital Grants Unapplied Account				
Application of Grants to Capital Financing transferred to the Capital Adjustment Account	0	0	(23)	23

Prior year - 2024 to 2025 (continued)	Usable Reserves General fund balance £000	Usable Reserves Capital receipts reserve £000	Usable Reserves Capital grants unapplied £000	Movement in unusable reserves £000
Adjustments primarily involving the Capital Receipts Reserve				
Use of the Capital Receipts Reserve to finance new Capital Expenditure	0	(100)	0	100
Transfer to Capital Receipts Reserve upon receipt of capital loan repayments	0	300	0	(300)
Adjustments primarily involving the Accumulated Absences Adjustment Account				
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	(110)	0	0	110
Adjustments primarily involving the Pensions Reserve				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	5,653	0	0	(5,653)
Employer's Pension Contributions and direct payments to pensioners payable in the year	(6,413)	0	0	6,413
Adjustments primarily involving the Collection Fund Adjustment Account				
Amount by which council tax and non-domestic rating income credited to the Comprehensive Income and Expenditure Statement is different from council tax and non-domestic rating income calculated for the year in accordance with statutory requirements	4,241	0	0	(4,241)
Total Adjustments	**1,883**	**1,931**	**1,851**	**(5,665)**

Note 10 Transfers to or (from) earmarked reserves

General fund reserves	Balance at 1 April 2024	Transfers out 2024 to 2025	Transfers in 2024 to 2025	Balance at 1 April 2025	Transfers out 2025 to 2026	Transfers in 2025 to 2026	Balance at 31 March 2026
	£000	£000	£000	£000	£000	£000	£000
Strategic reserves							
Strategic priorities and MTFS reserve	**4,229**	(1,146)	3,090	**6,173**	(1,845)	2,656	**6,984**
Investing in our growth agenda reserve	**565**	(13)	0	**552**	(9)	0	**543**
BRR pilot place-based reserve	**1,542**	(87)	0	**1,455**	(1)	0	**1,454**
Financial planning reserves							
Invest to save reserve	**5,030**	(246)	100	**4,884**	(211)	86	**4,759**
BRR equalisation reserve	**7,456**	(4,367)	5,989	**9,078**	(1,072)	153	**8,159**
Housing benefits equalisation reserve	**396**	(171)	0	**225**	(91)	0	**134**
Capital project financing reserve	**10,765**	(854)	3,179	**13,090**	(7,408)	3,614	**9,296**
Self insured reserve	**367**	(50)	20	**337**	(29)	29	**337**
Election reserve	**150**	(69)	105	**186**	(10)	107	**283**
Planning reserve	**209**	(252)	356	**313**	(51)	1,426	**1,688**
Service delivery reserves							
Computer equipment reserve	**128**	(141)	180	**167**	(182)	180	**165**
Office equipment reserve	**274**	(67)	45	**252**	(96)	71	**227**
Anglia Revenues Partnership reserve	**664**	(27)	6	**643**	(54)	63	**652**

Continued on following page.

General fund reserves continued	Balance at 1 April 2024	Transfers out 2024 to 2025	Transfers in 2024 to 2025	Balance at 1 April 2025	Transfers out 2025 to 2026	Transfers in 2025 to 2026	Balance at 31 March 2026
	£000	£000	£000	£000	£000	£000	£000
Vehicle and plant renewal reserve	**2,761**	(2,856)	1,261	**1,166**	(2,044)	3,378	**2,500**
Waste management reserve	**143**	(146)	137	**134**	(148)	169	**155**
Waste - Better Recycling Reserve	**0**	(7)	342	**335**	(486)	504	**353**
Extended Producer Responsibility (EPR)	**0**	0	0	**0**	(915)	1,975	**1,060**
Renters' Rights Act Reserve	**0**	0	0	**0**	0	45	**45**
Building repairs reserve	**4,320**	(3,692)	6,058	**6,686**	(5,174)	5,477	**6,989**
Car park development reserve	**1,190**	(268)	699	**1,621**	(505)	614	**1,730**
Industrial rent reserve	**322**	0	0	**322**	(322)	0	**0**
Abbey Gardens donation reserve	**97**	(20)	0	**77**	(1)	18	**94**
Newmarket Stallion reserve	**21**	0	0	**21**	0	0	**21**
Homelessness legislation reserve	**1,805**	(1,155)	1,365	**2,015**	(1,898)	2,124	**2,241**
Section 106 reserves							
Commuted maintenance reserve	**1,297**	(104)	153	**1,346**	(189)	224	**1,381**
Section 106: public service village reserve	**43**	0	0	**43**	0	0	**43**
Section 106 monitoring officer reserve	**0**	(24)	41	**17**	(24)	61	**54**
Section 106 revenue reserve	**80**	0	0	**80**	0	0	**80**
Other reserves							
Museums - Gershom Parkington bequest reserve	**588**	(7)	10	**591**	(16)	9	**584**
Total	**44,442**	**(15,769)**	**23,136**	**51,809**	**(22,781)**	**22,983**	**52,011**
Net increase or (decrease) in the year				**7,367**			**202**

Note

The increase in earmarked reserves during 2025 to 2026 relates mainly to timing of expenditure into the next financial year, driven mainly by capital programme phasing, plus planned additional contributions to the capital project financing reserve. These increased balances are expected to be utilised across the medium term financial plan. Further details can be seen in the report reference PAS/WS/26/009, entitled '2025 to 2026 Performance Report Quarter Four' considered by the Performance and Audit Scrutiny Committee on 4 June 2026.

The purposes of each of the earmarked reserves are explained briefly below:

Strategic priorities and medium term financial strategy (MTFS) reserve – monies received in respect of the New Homes Bonus grant which have been set aside to support the delivery of the council's strategic priorities and medium term financial strategy. This is being utilised significantly across the MTFS in support of strategic projects.

Investing in our growth agenda reserve – to support the delivery of the council's growth agenda.

Business rates retention (BRR) pilot place-based reserve – to hold the benefit from the Suffolk 100 per cent business rate retention pilot in 2018 to 2019. To be utilised against projects as agreed by the district and county leaders in West Suffolk.

Invest to save reserve – is used to finance up-front costs of delivering the council's budget delivery plan through savings, income generation and efficiencies initiatives.

Business rates retention (BRR) equalisation reserve – to neutralise the impact of any year on year fluctuations in growth or reduction of business rate income, under the business rates retention scheme.

Housing benefit (HB) equalisation reserve – is used to cover year on year adjustments made to the level of subsidy grant received from the Department for Works and Pensions.

Capital project financing reserve – to facilitate the capital financing requirements of the council and to account for fluctuations and timing differences in the expected spend profile and project financing costs. This reserve is also utilised to underwrite feasibility costs for the council in the event projects don't progress to completion.

Self-insured reserve – is money set aside to provide funds to finance higher insurance excesses in the future in order to reduce annual premiums.

Election reserve – monies set aside each year in order to smooth out and finance the cost of local elections.

Planning reserve – is money set aside to finance planning related initiatives.

Computer equipment reserve – money set aside to purchase computer equipment.

Office equipment reserve – money set aside to purchase significant replacement items of office equipment.

Anglia Revenues Partnership (ARP) reserve – Government Grant monies received by the Anglia Revenues Partnership (ARP) for specific purposes which are held in reserve due to timings of receipts and usage.

Vehicle and plant renewal fund – monies set aside each year to fund the vehicle and plant replacement programme.

Waste management reserve – is money set aside for the purchase of replacement bins and equipment used for trade and domestic refuse collection.

Waste – Better Recycling reserve – formerly known as the Simpler Recycling reserve. This reserve has been set up to hold and utilise government grant funding for the implementation and ongoing costs of Waste Better Recycling

Extended Producer Responsibility (EPR) reserve – this reserve has been set up to hold and utilise government payments for the Extended Producer Responsibility (EPR) scheme.

Renters' Rights Act reserve – this reserve has been set up to hold and utilise monies received from the operation of the Renters' Rights Act. All monies received must be reinvested in the development of the service.

Building repairs reserve – money set aside for significant repairs and improvements to public buildings and investment properties, including energy conservation measures.

Car park development reserve - holds monies set aside from parking income which are intended to be utilised on car park improvements and developments.

Industrial rent reserve - is for money set aside to meet lost lease income on the former Co-op building at Jubilee Walk, Haverhill.

Abbey Gardens donation reserve – is for the improvement of the Abbey Gardens.

Newmarket stallion reserve - monies set aside to fund future maintenance cost of the Newmarket stallion statue.

Homelessness legislation reserve – monies set aside to fund future Homelessness legislation requirements.

Commuted maintenance – is money set aside from developers' contributions to finance the maintenance of open spaces and play areas.

Section 106 agreement – public service village – is to finance the council's share of the expenditure relating to the planning conditions attached to West Suffolk House.

Section 106 monitoring officer reserve – monies set aside in order to fund the post of monitoring officer in the planning policy service.

Section 106 revenue reserve - monies received in respect of section 106 agreements held for future revenue spend.

Museum reserves – are for the purchase of new exhibits, exhibition and display equipment and conservation of existing collections.

Note 11 Other operating expenditure

This note provides further detail regarding the figures shown in respect of 'other operating expenditure' in the Comprehensive Income and Expenditure Statement.

	2025 to 2026 £000	2024 to 2025 £000
Parish Council precepts	5,967	5,585
(Gains) or losses on the disposal of non-current assets	(6)	(46)
	5,961	**5,539**

A further £43,078 of proceeds from the sale of fixed assets is included within Gross Income in Cost of Services. This is the total of asset sales where the proceeds fall below the £10,000 de minimis level per asset and as such cannot be classed as capital receipts but rather revenue income.

Note 12 Financing and investment income and expenditure

This note provides further detail regarding the figures shown in respect of 'Financing and Investment Income and Expenditure' in the Comprehensive Income and Expenditure Statement. These include interest payable by the council, interest received on loans and investments (both short and long term), and the notional pensions interest cost and expected return on pensions assets as required by IAS19 'Employee Benefits'.

	2025 to 2026 £000	2024 to 2025 £000
Interest payable and similar charges	237	243
Interest receivable and similar income	(2,381)	(2,736)
Change in impairment allowance for doubtful debts	314	180
Net interest on the net defined benefit liability asset	1,340	1,324
	(490)	**(989)**

Note 13 Taxation and non-specific grant income

This note provides further detail regarding the figures shown in respect of 'Taxation and Non-Specific Grant Income' in the Comprehensive Income and Expenditure Statement. This includes the element of council tax collected attributable to the council, the amount of non-domestic rates received from the national distribution under the 50 per cent Business Rate Retention scheme, the amount of Revenue Support Grant received, other non-service related Government grants and New Homes Bonus.

	2025 to 2026 £000	2024 to 2025 £000
Council tax income (West Suffolk and parish precepts)	(18,257)	(17,397)
Business rates income and expenditure	(15,200)	(12,467)
Non-ringfenced government grants:		
Revenue Support Grant	(480)	(448)
Rural Services Delivery Grant	0	(235)
New Homes Bonus	(744)	(881)
Funding Guarantee Grant	(1,012)	(1,440)
Recovery Grant	(243)	0
COVID-19 Sales, Fees and Charges Compensation	(6)	0
Services Grant	0	(32)
Capital Grants and Contributions	(1,387)	(3,951)
	(37,329)	**(36,851)**

Note 14 Property, plant and equipment

Movements on balances

This note details the movements during the current year on the non-current assets which have been classified under Property, plant and equipment.

The note below details the movements on balances in the financial year ended 31 March 2026. Further details of the additions and revaluations for the year can be found in Note 4 Material items of income and expense (page 31).

2024 to 2025 - Previous financial year	Council dwellings (General Fund) £000	Other land and buildings £000	Vehicles, plant, furniture and equipment £000	Infra-structure assets £000	Com-munity assets £000	Right of use assets	Surplus assets £000	Assets under construc-tion £000	Total property, plant and equipment £000
Cost or valuation									
At 1 April 2024	**1,077**	**241,020**	**29,234**	**4,149**	**1,018**	**0**	**6,810**	**817**	**284,125**
Opening asset adjustment - right of use assets	0	0	0	0	0	2,784	0	0	**2,784**
Opening reclassification - right of use assets	0	(1,006)	0	0	0	1,006	0	0	**0**
Historic rounding corrections	1	1	2	(1)	0	0	(3)	1	**1**
Revised cost or valuation									
At 1 April 2024	**1,078**	**240,015**	**29,236**	**4,148**	**1,018**	**3,790**	**6,807**	**818**	**286,910**
Additions	0	4,589	4,084	362	0	29	0	830	**9,894**
Revaluation increases recognised in the revaluation reserve	2,540	6,179	0	51	0	884	232	0	**9,886**
Revaluation (decreases) recognised in the revaluation reserve	0	(5,510)	(33)	0	0	0	(112)	0	**(5,655)**
Revaluation increases recognised in the surplus or deficit on the provision of services	16	423	0	0	0	0	0	0	**439**
Revaluation (decreases) recognised in the surplus or deficit on the provision of services	0	(1,374)	0	0	0	(57)	0	0	**(1,431)**
Derecognition - disposals	0	(801)	(1,434)	0	0	0	0	0	**(2,235)**
Assets reclassified between PPE categories	0	0	17	0	0	0	0	(17)	**0**
Other movements in cost or valuation	0	0	0	0	0	14	0	0	**14**
At 31 March 2025	**3,634**	**243,521**	**31,870**	**4,561**	**1,018**	**4,660**	**6,927**	**1,631**	**297,822**

2024 to 2025 - Previous Financial Year	Council dwellings (General Fund) £000	Other land and buildings £000	Vehicles, plant, furniture and equipment £000	Infra-structure assets £000	Com-munity assets £000	Right of use assets £000	Surplus assets £000	Assets under construc-tion £000	Total property, plant and equipment £000
Accumulated depreciation and impairment									
At 1 April 2024	**(59)**	**(6,612)**	**(11,636)**	**(2,485)**	**0**	**0**	**(2)**	**0**	**(20,794)**
Opening reclassification - right of use assets	0	17	0	0	0	(17)	0	0	**0**
Historic rounding corrections	(1)	2	(1)	(1)	0	0	2	0	**1**
Revised accumulated depreciation and impairment									
At 1 April 2024	**(60)**	**(6,593)**	**(11,637)**	**(2,486)**	**0**	**(17)**	**0**	**0**	**(20,793)**
Depreciation charge	(14)	(5,556)	(2,019)	(286)	0	(58)	0	0	**(7,933)**
Revaluation gains - depreciation written out to the revaluation reserve	74	2,651	0	5	0	0	0	0	**2,730**
Revaluation losses - depreciation written out to the revaluation reserve	0	2,168	10	0	0	0	0	0	**2,178**
Revaluation gains - depreciation written out to the surplus or deficit on the provision of services	0	218	0	0	0	0	0	0	**218**
Revaluation losses - depreciation written out to the surplus or deficit on the provision of services	0	213	0	0	0	0	0	0	**213**
Derecognition - disposals	0	0	1,365	0	0	0	0	0	**1,365**
At 31 March 2025	**0**	**(6,899)**	**(12,281)**	**(2,767)**	**0**	**(75)**	**0**	**0**	**(22,022)**
Net book value:									
At 31 March 2025	**3,634**	**236,622**	**19,589**	**1,794**	**1,018**	**4,585**	**6,927**	**1,631**	**275,800**
At 31 March 2024	**1,018**	**234,408**	**17,598**	**1,664**	**1,018**	**0**	**6,808**	**817**	**263,331**

2025 to 2026 - Current financial year	Council dwellings (General Fund) £000	Other land and buildings £000	Vehicles, plant, furniture and equipment £000	Infra-structure assets £000	Com-munity assets £000	Right-of-use assets £000	Surplus assets £000	Assets under construc-tion £000	Total property, plant and equipment £000
Cost or valuation									
At 1 April 2025	**3,634**	**243,521**	**31,870**	**4,561**	**1,018**	**4,660**	**6,927**	**1,631**	**297,822**
Additions	0	10,728	4,404	78	30	94	3,296	3,615	**22,245**
Revaluation increases recognised in the revaluation reserve	15	11,195	0	0	0	79	625	0	**11,914**
Revaluation (decreases) recognised in the revaluation reserve	0	(2,621)	0	0	0	(15)	(70)	0	**(2,706)**
Revaluation increases recognised in the surplus or deficit on the provision of services	0	1,184	0	0	0	(64)	0	0	**1,120**
Revaluation (decreases) recognised in the surplus or deficit on the provision of services	0	(3,163)	0	0	0	(12)	(3,481)	0	**(6,656)**
Derecognition - disposals	0	(1,216)	(826)	0	0	(24)	0	(3)	**(2,069)**
Reclassifications and transfers between PPE categories	0	810	55	0	0	0	0	(865)	**0**
Reclassifications and transfers (to) or from assets held for sale	0	0	0	0	0	0	476	0	**476**
At 31 March 2026	**3,649**	**260,438**	**35,503**	**4,639**	**1,048**	**4,718**	**7,773**	**4,378**	**322,146**

2025 to 2026 - Current financial year	Council dwellings (General Fund) £000	Other land and buildings £000	Vehicles, plant, furniture and equipment £000	Infra-structure assets £000	Com-munity assets £000	Right-of-use assets £000	Surplus assets £000	Assets under construc-tion £000	Total property, plant and equipment £000
Accumulated depreciation and impairment									
At 1 April 2025	**0**	**(6,899)**	**(12,281)**	**(2,767)**	**0**	**(75)**	**0**	**0**	**(22,022)**
Depreciation charge	(52)	(5,943)	(2,367)	(324)	0	(52)	0	0	**(8,738)**
Revaluation gains - depreciation written out to the revaluation reserve	52	4,834	0	6	0	30	0	0	**4,922**
Revaluation losses - depreciation written out to the revaluation reserve	0	702	0	0	0	0	0	0	**702**
Revaluation gains - depreciation written out to the surplus or deficit on the provision of services	0	3,729	0	0	0	65	0	0	**3,794**
Revaluation losses - depreciation written out to the surplus or deficit on the provision of services	0	1,095	0	0	0	8	0	0	**1,103**
Derecognition - disposals	0	141	766	0	0	24	0	0	**931**
At 31 March 2026	**0**	**(2,341)**	**(13,882)**	**(3,085)**	**0**	**0**	**0**	**0**	**(19,308)**
Net book value:									
At 31 March 2026	**3,649**	**258,097**	**21,621**	**1,554**	**1,048**	**4,718**	**7,773**	**4,378**	**302,838**
At 31 March 2025	**3,634**	**236,622**	**19,589**	**1,794**	**1,018**	**4,585**	**6,927**	**1,631**	**275,800**

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

- Council Dwellings: 50 to 70 years
- Other Land and Buildings: 10 to 80 years
- Vehicles, Plant, Furniture and Equipment: 4 to 85 years
- Infrastructure: 10 to 60 years.

Impairment

Paragraph 4.7.4.2(1) of the code requires disclosure by class of assets of the amounts for impairment losses and impairment reversals charged to the Surplus or Deficit on the Provision of Services and to Other Comprehensive Income and Expenditure.

Other significant impairments include £3.096 million for the purchase of land adjacent to the Operational Hub. Our purchase of this land was supported by an independent red book valuation. This impairment is due to the difference in measurement between the red book valuation and the valuations for the purpose of the Statement of Accounts. The measurement basis included in these statements is current value, determined as the amount that would be paid for the asset in its existing use.

As this land is currently used as farmland, the valuation has treated it as such and therefore there has been a reduction in the value. Once planning is secured on the site and the project is underway the use of the site will change and future valuations will reflect this.

Land disposal

A technical accounting adjustment was made in the 2024 to 2025 financial year to correct the valuation split of the Toggam Solar Farm between the land element and the element relating to the solar panels. A proportion of the value of the solar farm had previously been accounted for as a land asset where it should have all been accounted for as part of the solar panels asset. This has resulted in a disposal of this land asset, which had a value of £801,080. The solar farm has been revalued in the 2024 to 2025 financial year with the full value now being correctly attributed to the solar panel asset element. Despite this change, the values held in the Statement of Accounts as at 31 March 2025 are correct.

Within Other Operating Expenditure in the Comprehensive Income and Expenditure Statement, a loss of £801,080 is included against Gain or losses on the disposal of non-current assets.

Capital commitments

At 31 March 2026, the council has the following capital commitments:

Advanced Manufacturing and Engineering Centre - £11.87 million.

The Advanced Manufacturing and Engineering (AME) project is the construction of a purpose-built centre designed to support startup businesses in the AME sector. The AME Centre will deliver 17 flexible, self-contained workshop units, as well as shared meeting and conference spaces.

The contract is between West Suffolk Council and Pentaco Construction. The full contract sum is currently £12,445,401. Payments already made total £572,677. The total forecast project cost is currently £17,245,000.

Bury Leisure Centre Improvement Works - £5.63 million

Bury St Edmunds Leisure Centre is currently undergoing key improvements that will upgrade facilities to better meet the needs of the community.

The contract is between West Suffolk Council and Alliance Leisure. The full contract sum is currently £8,043,193. Payments already made total £2,415,156. The total forecast project cost is currently £9,640,000.

Revaluations

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

Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS).

The valuations for 2025 to 2026 were prepared by Wilks, Head and Eve, 3rd Floor, 55 New Oxford Street, London WC1A 1BS.

	Other land and buildings £000	Vehicles, plant, furniture and equipment £000	Infra-structure assets £000	Com-munity assets £000	Dwellings £000	Right-of-use assets £000	Surplus assets £000	Assets under construc-tion £000	Total property, plant and equipment £000
Carried at historical cost	2,814	21,434	1,271	494	0	104	3,448	4,379	33,944
Valued at fair value as at:									
31 March 2026	63,306	0	0	0	0	396	2,763	0	66,465
31 March 2025	102,215	187	277	0	3,582	570	416	0	107,247
1 April 2024	0	0	0	0	0	3,546	0	0	3,546
31 March 2024	43,725	0	0	0	0	119	0	0	43,844
31 January 2023	9,969	0	0	554	0	0	0	0	10,523
31 January 2022	34,803	0	0	0	0	0	1,146	0	35,949
Indexation applied to valuations above	1,264	0	6	0	67	(17)	0	0	1,320
Total net book value	**258,096**	**21,621**	**1,554**	**1,048**	**3,649**	**4,718**	**7,773**	**4,379**	**302,838**

There are 13 Other Land and Building assets carried at historical cost with a total Net Book Value of £2.814 million. The majority of this value comes from 2 recently purchased properties used as temporary accommodation, with these planned on being revalued in the 2026 to 2027 financial year. The carrying amount of these assets does not differ materially from that which would be determined using the current value as at 31 March 2026.

Indexation

From 1 April 2025, the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requirements changed in respect of revaluations of property, plant and equipment. Where authorities do not have a rolling programme of revaluations in place and/or the assets are not non-property assets subject to indexation, authorities revalue their assets every five years with annual indexation applied to assets during the four intervening years. Where authorities cannot obtain indices without undue cost or effort, authorities revalue those assets using a quinquennial revaluation with a desktop revaluation in year three.

Full revaluations are carried out in accordance with RICS Red Book requirements, while indexation reflects market-based movements applied in intervening periods. Although the valuation approaches differ, both are treated equally for accounting purposes under the revaluation model.

The significant assumptions applied in estimating the current values of property, plant and equipment are:

Choice of index

These have been provided by our external valuers Wilks, Head and Eve and those used are shown in the table below.

Method of indexation

Indexation has been applied to the Net book value of the asset as at 1 April 2025. This change in value has then been added to the Net Book Value of the asset as at 31 March 2026. This ensures that any additional spend on assets is not indexed within the year that the spend is incurred as the amount paid should provide a fair measure of the future economic benefits or service potential that will flow to the council.

Index	**Average change %**	**Valuation change £000**
BCIS All in TPI	2.24%	1,643
Savills Land Report & Knight Frank Land Report	-2.95%	(218)
Co Star & MSCI Capital Growth (Industrial)	2.19%	618
Co Star & MSCI Capital Growth (Office)	-2.26%	(294)
Co Star (Retail)	-2.55%	(567)
House Price Index Data	2.14%	139
Total indexation applied in 2025-26	**0.86%**	**1,321**

Fair value hierarchy

Details of the council's surplus assets and information about the fair value hierarchy as at 31 March are as follows:

Current year Recurring fair value measurements using:	Quoted prices in active markets for identical assets (Level 1) £000	Other significant observable inputs (Level 2) £000	Significant unobservable inputs (Level 3) £000	Fair value as at 31 March 2026 £000
Development land	0	7,761	0	**7,761**
Total	**0**	**7,761**	**0**	**7,761**

Prior year Recurring fair value measurements using:	Quoted prices in active markets for identical assets (Level 1) £000	Other significant observable inputs (Level 2) £000	Significant unobservable inputs (Level 3) £000	Fair value as at 31 March 2025 £000
Development land	0	6,927	0	**6,927**
Total	**0**	**6,927**	**0**	**6,927**

There were no transfers between levels during the year.

Valuation techniques used to determine Level 2 fair values

Significant observable inputs - Level 2

The valuation technique applied in respect of all the Fair Value figures was the market approach. The market approach is described in paragraphs B5 and B7 of IFRS13; it uses prices and other relevant information generated by market transactions involving identical or comparable (that is, similar) assets.

The inputs to this technique constitute Level 2 inputs in each instance. Level 2 inputs are inputs that are observable for the asset, either directly or indirectly. The inputs used took the form of analysed and weighted market evidence such as sales, rentals and yields in respect of comparable assets in the same or similar locations at or around the valuation date.

Note 15 Heritage assets

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

Reconciliation of the carrying value of heritage assets held by the council

	Statues and monu-ments £000	Arch-aeology £000	Social history £000	Fine and decora-tive art £000	Horology £000	Civic regalia £000	Other heritage assets £000	Total assets £000
Cost or valuation								
At 1 April 2024	247	155	71	3,409	2,592	564	316	**7,352**
Depreciation	(1)	0	0	0	0	0	(3)	**(4)**
Revaluations - depreciation adjustment	0	0	0	0	0	0	0	**0**
At 31 March 2025	**246**	**155**	**71**	**3,409**	**2,592**	**564**	**313**	**7,348**
At 1 April 2025	246	155	71	3,409	2,592	564	313	**7,348**
Historic rounding corrections	0	(1)	0	0	0	(1)	0	**0**
Transfers between components	0	0	0	0	0	0	0	**0**
Additions	0	0	13	0	0	0	0	**13**
Revaluation gains recognised in the Revaluation Reserve	0	0	0	83	0	0	0	**83**
Depreciation	(1)	0	0	0	0	0	(3)	**(4)**
At 31 March 2026	**245**	**154**	**84**	**3,492**	**2,592**	**563**	**310**	**7,440**

Fine and decorative art – includes paintings (the most significant of which is a portrait by James Tissot valued at £1.8 million), statues and various decorative art collections, notably antique glass, armorial porcelain, snuff and scent bottles and boxes.

Horology – includes the Gershom Parkington Collection, the Allen Collection of American Clocks, and various clocks by local makers.

Civic regalia – includes ceremonial items such the maces, sword, chains of office and other ceremonial items.

All the above items are reported in the Balance Sheet at insurance valuations which are based on market values supplied by external valuers with specialist knowledge of these markets. These valuations are subject to review by the council’s Heritage Services staff and updated annually.

Additions, disposals and impairment of heritage assets

In 2025 to 2026, West Suffolk Council added the “Bardwell Pyramid Mount” to its collection of Heritage assets at a cost of £13,000.

A summary of the valuations for a five year period has been included below for illustrative purposes only.

	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025	2025 to 2026
	£000	£000	£000	£000	£000
Valuations for illustrative purposes					
Statues and monuments	249	248	247	246	**245**
Archaeology	155	155	155	154	**154**
Social history	71	71	71	71	**84**
Fine and decorative art	3,339	3,365	3,408	3,409	**3,492**
Horology	2,592	2,592	2,592	2,592	**2,592**
Civic items	564	564	564	563	**563**
Other heritage assets	321	318	315	313	**310**
Total heritage assets	**7,291**	**7,313**	**7,352**	**7,348**	**7,440**

The value of heritage assets that fall below the council’s de minimis level of £5,000 is £0.665 million. This does not include any items of archaeological or social history significance as these are not valued.

Note 16 Assets held for sale

	Current 2025 to 2026 £000	2024 to 2025 £000
Balance outstanding at start of year	**476**	**1,291**
Assets sold	0	(815)
Assets transferred out of assets held for sale	(476)	0
Balance outstanding at year end	**0**	**476**

Note

Assets sold in 2024 to 2025 relates to residential flats at the former Post Office, Bury St Edmunds.

Assets transferred out of assets held for sale in 2025 to 2026 relates to the transfer of Woodlands Hotel to Surplus assets which can also be seen in Note 14 on page 48.

Note 17 Debtors

Short term debtors

The following table shows the debtors due within one year of the Balance Sheet date, categorised by the type of organisation. The figure stated in the Balance Sheet also takes account of the council's provision for bad debts and payments that have been made in advance at the Balance Sheet date.

	31 March 2026 £000	31 March 2025 £000
Central Government bodies (Note 1)	3,009	787
Other local authorities	5,292	4,280
Housing associations	1,179	608
Council tax or business rate payers and housing benefit debtors	3,025	2,985
Trade debtors	5,101	5,842
Other entities and individuals	767	657
Total short-term debtors	**18,373**	**15,159**

Note 1 – The large increase in Central Government debtors primarily relates to year end VAT and Housing Subsidy claims, both of which were creditors in the previous year.

Long term debtors

	31 March 2026 £000	31 March 2025 £000
Mortgages	64	64
Loans:		
Barley Homes Group Limited (Note 2)	4,035	900
Abbeycroft Leisure	500	500
Total long-term debtors	**4,599**	**1,464**

Note 2 – The council has a revolving loan facility agreement with Barley Homes amounting to £14.25 million. The company drew down a further £3.135 million during the year to fund the construction of its pipeline site at Rougham.

Note 18 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.

	31 March 2026 £000	31 March 2025 £000
Cash held by the council	2	2
Bank current or instant access accounts	6,050	13,714
Short term deposits with clearing banks and building societies	16,828	20,057
Total cash and cash equivalents	**22,880**	**33,773**

Note 19 Financial instruments

Categories of financial instruments

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

	Long-term 31 March 2026 £000	Current 31 March 2026 £000	Long-term 31 March 2025 £000	Current 31 March 2025 £000
IFRS 9 BASIS				
Investments				
Amortised cost				
Money market loans (long-term and short-term investments)	698	6,575	579	5,579
Equity investments	601	0	601	0
Cash and cash equivalents	0	22,880	0	33,773
Total investments	**1,299**	**29,455**	**1,180**	**39,352**
Debtors				
Amortised cost	4,599	9,204	1,464	8,885
Total debtors	**4,599**	**9,204**	**1,464**	**8,885**
Borrowings				
Financial liabilities at amortised cost	9,000	0	9,250	2
Total borrowings	**9,000**	**0**	**9,250**	**2**
Creditors				
Financial liabilities at amortised cost	7,715	9,131	6,046	8,673
Total creditors	**7,715**	**9,131**	**6,046**	**8,673**
Other liabilities				
Lease liabilities	854	93	852	96
Total other liabilities	**854**	**93**	**852**	**96**

Income, expenses, gains and losses

The following table shows where the income, expense, gains and losses in respect of the council's financial instruments have been included in the Comprehensive Income and Expenditure Statement.

	2025 to 2026			2024 to 2025		
	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
Interest expense	169	0	**169**	172	0	**172**
Interest expense on lease liabilities	51	0	**51**	51	0	**51**
Total expense in Surplus or Deficit on the Provision of Services	**220**	**0**	**220**	**223**	**0**	**223**
Interest income	0	(2,198)	**(2,198)**	0	(2,673)	**(2,673)**
Total income in Surplus or Deficit on the Provision of Services	**0**	**(2,198)**	**(2,198)**	**0**	**(2,673)**	**(2,673)**
Net (gains) or loss for the year	**220**	**(2,198)**	**(1,978)**	**223**	**(2,673)**	**(2,449)**

Fair values of assets and liabilities

In these disclosure notes, financial instruments are also required to be shown at fair value. The fair value of the investments is determined by calculating the net present value of future cash flows, which provides an estimate of the value of payments due in the future, in today's terms.

The fair values calculated are as follows:

	31 March 2026 Carrying amount £000	31 March 2026 Fair value £000	31 March 2025 Carrying amount £000	31 March 2025 Fair value £000
Liabilities held at amortised cost				
Financial liabilities	9,131	9,131	8,675	8,675
Long-term creditors or borrowings	16,715	13,135	15,296	11,608
Short-term lease liabilities	93	93	96	96
Long-term lease liabilities	854	854	852	852
Total liabilities	**26,793**	**23,213**	**24,919**	**21,231**
Financial assets held at amortised cost				
Money market loans:				
Short-term investments	6,575	6,575	5,579	5,569
Long-term investments	1,299	1,299	1,180	1,180
Cash and cash equivalents	22,880	22,442	33,773	33,414
Financial assets (debtors)	9,204	9,204	8,885	8,885
Trade and other debtors	4,599	4,599	1,464	1,464
Total assets	**44,557**	**44,119**	**50,881**	**50,512**

In overall terms, the fair value of the investments is £0.44 million less than the book value at 31 March 2026.

Long term creditors relate to long term loan agreements and grants received in advance. £10 million was entered into on 3 December 2021, as an Equal Instalment of Principal loan with the Public Works Loans Board (PWLB) at a fixed rate of interest. £9.00 million of this remained outstanding on 31 March 2026. Grants received in advance amount to £5.69 million.

Available for sale assets are carried in the Balance Sheet at their fair value. These fair values are based on public price quotations where there is an active market for the instrument.

Short term debtors and creditors are carried at cost as this is a fair approximation of their value. Further details of debtors and creditors are found in Note 17 (page 60) and Note 20 (page 65).

Note 20 Creditors

The following table shows the creditors due within one year of the Balance Sheet date, categorised by type:

	31 March 2026 £000	31 March 2025 £000
Central government bodies	5,744	4,610
Other local authorities (Note 1)	11,173	8,906
Trade creditors	6,063	5,414
Receipts in advance	3,562	2,877
Other entities and individuals	2,093	2,255
Total short-term creditors	**28,635**	**24,062**

Note 1 – The increase in local authority creditors primarily relates to Business Rates Collection Fund balances due to Suffolk County Council.

Note 21 Provisions

The table below shows the movements in the council's provisions during the 2025 to 2026 financial year:

	2025 to 2026		2024 to 2025	
	Long Term Provision £000	Short Term Provision £000	Long Term Provision £000	Short Term Provision £000
Balance as at 1 April	**(352)**	**(2,205)**	**(462)**	**(2,197)**
(Additional provisions made) or unused amounts reversed in the year	(19)	765	0	(1,162)
Amounts utilised in the year	0	430	110	1,154
Balance as at 31st March	**(371)**	**(1,010)**	**(352)**	**(2,205)**

Long term provisions

The provision of £371,000 relates to accumulated compensated staff absences.

Short term provisions

The provision of £1,010,000 is composed of:

- £199,000 relating to a structural defect claim in respect of a previously owned asset.
- £811,000 relating to Business Rate Retention Scheme appeals.

The latter is a provision under the system of business rate retention and relates to West Suffolk's share of billing authorities' estimates of the provision required for potential refunds relating to retrospective alterations to the rating list for those appeals that are already lodged with the Valuation Office as at 31 March 2026.

This work has been supported by Wilks Head and Eve LLP, Sixth Floor, Fairgate House, 78 New Oxford Street, London WC1A 1HB.

Note 22 Unusable reserves

The balances on the council's unusable reserves as at 31 March 2026 are as follows:

	31 March 2026 £000	31 March 2025 £000
Revaluation Reserve	**112,530**	98,822
Capital Adjustment Account	**136,095**	128,051
Pensions Reserve	**(1,075)**	(25,268)
Deferred Capital Receipts Reserve	**137**	137
Collection Fund Adjustment Account	**1,999**	(384)
Accumulated Absences Account	**(371)**	(352)
Total unusable reserves	**249,315**	**201,006**

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 that the reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	2025 to 2026 £000	2024 to 2025 £000
Balance at 1 April	**98,822**	**91,529**
Upward revaluation of Assets	16,532	12,616
Upward or (downward) revaluation of assets and impairment losses not charged to the surplus or deficit on the Provision of Services	(1,605)	(3,477)
Surplus on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Service	**14,927**	**9,139**
Difference between fair value depreciation and historical cost depreciation	(2,084)	(1,774)
Accumulated gains on assets sold or scrapped	0	(72)
Amount written off to the Capital Adjustment Account	865	0
Balance at 31 March	**112,530**	**98,822**

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The account is credited with the amounts set aside by the council as finance for the costs of acquisition, construction and enhancement. The account contains accumulated gains and losses on investment properties and gains recognised on donated assets that have yet to be consumed by the council. The account also contains revaluation gains accumulated on property, plant and equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 9 Adjustments between accounting basis and funding basis under regulations (page 38) provides details of the source of all the transactions posted to the account, apart from those involving the Revaluation Reserve.

The movements on the Capital Adjustment Account during the current and previous financial years were as follows:

	2025 to 2026 £000	2025 to 2026 £000	2024 to 2025 £000
Balance at 1 April		**128,051**	**128,499**
Opening Adjustment - Implementation of IFRS 16			1,779
Revised Balance at 1 April			**130,278**
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement			
Charges for depreciation and impairment of non-current assets	(8,754)		(7,937)
Revaluation gains or (losses) on Property, Plant and Equipment	(652)		(561)
Amortisation of Intangible Assets	0		(12)
Revenue expenditure funded from capital under statute	(2,426)		(3,126)
Amounts of of non-current assets written off on disposal or sale as part of the gain or loss on disposal to the Comprehensive Income and Expenditure Statement	(1,138)		(1,685)
		(12,970)	**(13,321)**
Adjusting amounts written out of the Revaluation Reserve		1,219	1,846
Net written out amount of the cost of non-current assets consumed in the year		**(11,751)**	**(11,475)**
Capital Financing applied in the year:			
Use of the Capital Receipts Reserve to finance new capital expenditure	6,153		100
- Use of the Capital Receipts Reserve to finance new capital loans	0		2,913
Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	3,303		2,904
Application of grants to capital financing from the Capital Grants Unapplied Account	2,030		23
Capital Expenditure charged against the General Fund Balance	7,106		5,393
		18,592	**11,333**
Minimum Revenue Provision		1,203	1,128
Loan Principal Repayments		0	(3,213)
Balance at 31 March		**136,095**	**128,051**

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible.

The balance at 31 March 2026 was showing a net pension asset of £93.43 million (£84.72 million at 31 March 2025). However, this has been restricted to the amount of the pension asset ceiling – a net liability of £1.075 million (£25.268 million at March 2025) - as calculated by the council's actuary. Further details on the charge for the year are in Note 32 Defined Benefit Pension Scheme (page 87).

The movements in the Pensions Reserve were as follows:

	2025 to 2026 £000	2024 to 2025 £000
Balance at 1 April	**(25,268)**	**(27,108)**
Remeasurements of the net defined benefit liability or (asset)	(566)	35,866
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(4,827)	(5,653)
Employer's pensions contributions and direct payments to pensioners payable in the year	7,728	6,413
Changes in the effect of the pension asset ceiling	21,858	(34,786)
Balance at 31 March	**(1,075)**	**(25,268)**

Deferred Capital Receipts Reserve

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

	2025 to 2026 £000	2024 to 2025 £000
Balance at 1 April	**137**	**137**
Balance at 31 March	**137**	**137**

Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax income in the Comprehensive Income and Expenditure Statement as it falls due from council taxpayers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

The movements in the Collection Fund Adjustment Account were as follows:

	2025 to 2026 £000	2024 to 2025 £000
Balance at 1 April	**(384)**	**3,857**
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	95	61
Amount by which non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from non-domestic rates income calculated for the year in accordance with statutory requirements	2,288	(4,302)
Balance at 31 March	**1,999**	**(384)**

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year (annual leave entitlement carried forward at 31 March). Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the account.

	2025 to 2026 £000	2024 to 2025 £000
Balance at 1 April	**(352)**	**(462)**
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	(19)	110
Balance at 31 March	**(371)**	**(352)**

Note 23 Cash flow statement – operating activities

The cash flows for operating activities include the following items:

	2025 to 2026 £000	2024 to 2025 £000
Interest paid on borrowing	169	172
Interest on lease liabilities	51	51
Dividends received	(64)	(10)
	156	**213**

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

	2025 to 2026 £000	2024 to 2025 £000
Depreciation	(8,753)	(7,937)
Amortisation	0	(12)
Impairment and upward or (downward) valuations	(652)	(561)
(Increase) or decrease in revenue creditors	(4,269)	5,018
(Increase) or decrease in provisions	1,176	102
Increase or (decrease) in revenue debtors and payments in advance	1,958	1,396
Increase or (decrease) in inventories	326	(24)
Movement in pensions liability	2,901	760
Movement in lease liabilities	1	(947)
Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised (property, plant and equipment, investment property and intangible assets)	6	46
Other non-cash items charged to the net surplus or deficit on the provision of services	2,383	(4,248)
	(4,923)	**(6,407)**

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

	2025 to 2026 £000	2024 to 2025 £000
Capital grants credited to surplus or (deficit) on the provision of services	4,249	4,778
Any other items for which the cash effects are investing or financing cash flows	(2,333)	(299)
	1,916	**4,479**

Note 24 Cash flow statement – investing activities

The cash flows for investing activities include the following items:

	2025 to 2026 £000	2024 to 2025 £000
Purchase of property, plant and equipment, investment property and intangible assets	21,902	9,612
Purchase or (sale) of short-term and long-term investments	3,565	(19,455)
Other payments for investing activities	5,561	3,226
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(565)	(2,239)
Proceeds from short-term and long-term investments	(2,198)	(2,673)
Other receipts from investing activities	(5,278)	(6,453)
Net cash flows from investing activities	**22,987**	**(17,982)**

Note 25 Cash flow statement – financing activities

The cash flows for financing activities include the following items:

	2025 to 2026 £000	2024 to 2025 £000
Billing authorities - council tax and national non-domestic rates adjustments	(2,383)	4,241
Net cash flows from financing activities	**(2,383)**	**4,241**

Note 26 Members allowances

The council paid the following amounts to members of the council during the year.

	2025 to 2026 £000	2024 to 2025 £000
Allowances	570	564
Expenses	12	14
Total members allowances and expenses	**582**	**578**

Further details of the council's Member Allowances scheme, and the schedules of allowances, can be found in the transparency pages on the council's website at: www.westsuffolk.gov.uk

Note 27 Officers' remuneration

Senior officers' remuneration

The remuneration of those senior officers on the payroll of West Suffolk Council was as follows:

Post	Year	Salaries, fees and allow-ances £	Expense allow-ances £	Benefits in kind £	Compen-sation for loss of office £	Pension contrib-ution £	Total £
Chief Executive - Ian Gallin	**2025 to 2026**	**165,821**	**643**	**5,704**	**0**	**43,113**	**215,281**
	2024 to 2025	160,679	0	12,302	0	41,777	214,758
Deputy Chief Executive - note 1	**2025 to 2026**	**124,896**	**1,239**	**0**	**0**	**32,473**	**158,608**
	2024 to 2025	121,023	1,239	0	0	31,466	153,728
Chief Operating (S151) Officer - note 2	**2025 to 2026**	**124,896**	**1,239**	**0**	**0**	**32,473**	**158,608**
	2024 to 2025	114,831	1,239	0	0	29,856	145,926
Director Operations, Leisure and Culture	**2025 to 2026**	**108,147**	**0**	**1,739**	**0**	**28,118**	**138,004**
	2024 to 2025	103,585	0	2,141	0	26,932	132,658
Director Planning and Growth - note 3	**2025 to 2026**	**101,047**	**1,161**	**0**	**0**	**26,272**	**128,480**
	2024 to 2025	103,233	1,239	0	0	26,840	131,312
Director Housing, Communities and Regulatory - note 4	**2025 to 2026**	**101,249**	**1,239**	**0**	**0**	**26,325**	**128,813**
	2024 to 2025	31,799	413	0	0	8,268	40,480

Notes

1. The post changed from Strategic Director to Deputy Chief Executive from July 2024.
2. The post changed from Director Resources and Property to Chief Operating Officer from July 2024.
3. The postholder left in March 2026.
4. The postholder started in December 2024.

General notes

Expenses allowances include the lump sum payment made in relation to essential car users and the taxable element of mileage allowance payments (where applicable).

Benefits in kind relate predominantly to His Majesty's Revenue and Customs' (HMRC's) prescribed calculation, which is based on the employee's lease car list price (defined by HMRC) and its CO2 emissions, to create a taxable benefit value for income tax purposes. Benefits in kind values are not paid for by the council or the employee.

They are simply a mechanism for calculating the employee's income tax liability. The council operates a cost neutral car leasing scheme.

Pension contribution is the payment made by the council into Suffolk County Council's pension fund, not directly to the employee.

The council has an agreed staff pay policy (Pay Policy Statement), which sets out how staff pay is determined. It places a particular focus on the remuneration of chief officers and the lowest paid staff, including the relationship between the two.

Senior Officer restructure

In December 2024 a restructure of the council's Senior Officer Leadership Team (LT) resulted in the reduction of senior officer posts from eight to six (contained in the table above), with the removal of one Strategic Director post and one Director post. The restructure resulted in providing capacity within the next level of leadership at the level of Heads of Service. The restructure was delivered within the original budget allocation for Leadership Team.

The 'Senior officers' remuneration' table above reflects the reduced number of Leadership Team posts, whilst the Heads of Service posts are captured in the 'Remuneration bands – other officers' table below.

Remuneration bands – other officers

The council's other employees (those not included in the table above) receiving more than £50,000 remuneration for the year (excluding employer's pension contributions but including termination payments) were paid the following amounts:

Remuneration band	2025 to 2026 Number of employees	2024 to 2025 Number of employees
£50,000 to £54,999	**21**	37
£55,000 to £59,999	**24**	23
£60,000 to £64,999	**23**	3
£65,000 to £69,999	**3**	2
£70,000 to £74,999	**4**	11
£75,000 to £79,999	**3**	0
£80,000 to £84,999	**6**	1
£85,000 to £89,999	**1**	0
£95,000 to £99,999	**0**	1
£105,000 to £109,999	**1**	0

One postholder in each of the first three bands and one in the £105,000 to £109,999 band (two in the £55,000 to £59,999 band and one in the £95,000 to £99,999 for 2024 to 2025), work for Anglia Revenues Partnership. Whilst they are employed by West Suffolk Council, their salary costs are shared across the five councils who make up the partnership.

Where a £5,000 band is not shown in the table above, it is because there are no employees within that range.

Exit packages

Details of exit packages, with total cost per band and total numbers of compulsory and other redundancies or departures, are set out in the table below. This table includes any compensation for loss of office already referred to in the Officers' Remuneration tables above.

Exit package cost band (including special payments)	**Number of compulsory redundancies (a)**		**Number of other departures agreed (b)**		**Total number of exit packages by cost band**		**Total cost of exit packages in each band**	
	2025 to 2026 number	2024 to 2025 number	**2025 to 2026 number**	2024 to 2025 number	**2025 to 2026 number**	2024 to 2025 number	**2025 to 2026 £**	2024 to 2025 £
£0 - £20,000	**0**	0	**2**	2	**2**	2	**14,817**	6,895
£20,001 - £40,000	**0**	0	**0**	1	**0**	1	**0**	30,000
Total	**0**	0	**2**	3	**2**	3	**14,817**	36,895

Note 28 Grant income

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

Credited to taxation and non-specific grant income and expenditure:

	2025 to 2026 £000	2024 to 2025 £000
Revenue Support Grant	480	448
Business Rates - Baseline Funding and Section 31 Grants	12,207	12,789
New Homes Bonus	744	881
Rural Services Delivery Grant	0	235
Services Grant	0	32
Funding Guarantee Grant	1,012	1,440
Recovery Grant	243	0
COVID-19 Sales, Fees and Charges Compensation	6	0
Capital Grants and Contributions	1,387	3,951
Total credited to Taxation and Non-specific Grant Income and Expenditure	**16,079**	**19,776**

Credited to services:

	2025 to 2026 £000	2024 to 2025 £000
Revenue grants and contributions:		
Housing Benefits Subsidy	22,596	26,966
Housing Benefits, Business Rates and Council Tax Administration Subsidy	609	602
Homelessness and Rough Sleeping Grants	1,884	1,491
COVID-19 Grants	2	39
Employer National Insurance Contribution Grant	181	0
Extended Producer Responsibility (EPR) Grant	1,975	0
Other grants and contributions	662	542
Capital grants and contributions:		
Disabled Facilities Grant	1,917	1,608
Havebury Affordable Housing Grant	946	997
Total credited to services	**30,772**	**32,245**

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

	2025 to 2026 £000	2024 to 2025 £000
Long-term grants and contributions received in advance		
Growth area initiative grant	948	966
Disabled facilities grant	1,520	1,505
Developer contributions	4,598	3,282
Land release fund	259	259
Council housebuilding support fund	287	0
Strategic access management and monitoring grant	41	0
Other Grants	62	34
Total	**7,715**	**6,046**

	2025 to 2026 £000	2024 to 2025 £000
Short-term grants and contributions received in advance		
COVID-19 Suffolk inclusive growth investment fund	150	152
	150	**152**

Note 29 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.

Central Government

Central government has effective control over the general operations of the council – it is responsible for providing the statutory framework within which the council operates, provides a significant proportion of its funding in the form of grants and prescribes the terms of many of the transactions that the council has with other parties (for example council tax bills, housing benefits). Details on grants received from government departments are set out in Note 13 Taxation and Non Specific Grant Income (page 47) and Note 28 Grant Income (page 76).

Members and senior staff

Members of the council have direct control over its financial and operating policies. The total of members' allowances paid in 2025 to 2026 is shown in Note 26 Members' Allowances (page 72).

Councillors are able to serve on outside bodies either as a representative of the council or in a personal capacity. Some of those bodies receive financial support from the council. In all instances financial support was made with proper consideration of councillors' declarations of interest and the relevant councillors did not take part in any discussion or decision relating to the financial support. The bodies on which they serve as a representative of the council are listed below:

- Abbey of St Edmund Heritage Partnership
- Association for Suffolk Museums Management Committee
- Brandon Heritage Centre Trust
- Brandon Remembrance Playing Fields Management Committee
- Brecks Fen Edge and Rivers Landscape Partnership
- Citizens' Advice West Suffolk
- Community Rail Partnership: Cambridge to Ipswich line
- Dedham Vale and Stour Valley
- District Councils' Network
- East of England Local Government Association
- East West Rail (EWR) Consortium
- George Savage Trust
- Guildhall Feoffment Trust
- Internal Drainage Board – Burnt Fen
- Internal Drainage Board - Lakenheath
- Internal Drainage Board - Mildenhall
- King Edward VI Grammar School Bury St. Edmunds Foundation
- Local Government Association General Assembly
- Love Newmarket Business Improvement District (BID)
- Mildenhall Museum Trust
- National Horseracing Museum
- Newmarket Vision Steering Group
- One Haverhill
- Our Bury St Edmunds (BID4BURY) Board

- PATROL (Parking and Traffic Regulations Outside London) Adjudication Joint Committee
- Rural Services Network
- Safer and Stronger Communities Board
- St John’s Centre Trustees Bury St Edmunds
- Stiff’s Alms-houses Charity Trustees, Rougham
- Suffolk County Council – Health and Wellbeing Board
- Suffolk County Council – Health Scrutiny Committee
- Suffolk Flood Management Joint Scrutiny Committee
- Suffolk Joint Emergency Planning Policy Panel
- Suffolk Police and Crime Panel
- Suffolk Waste Partnership
- Theatre Royal Management Board
- Transport East
- West Stow Anglo-Saxon Village Trust
- Western Suffolk Community Safety Partnership
- West Suffolk Hospital NHS Foundation Trust: Council of Governors
- West Suffolk Hospital NHS Foundation Trust: Future System Programme Board

During 2025 to 2026 the council made grant payments totalling £286,640 (2024 to 2025 £337,579) to organisations on which members served. Transactions with Barley Homes (Group) Ltd and Verse Facilities Management Ltd are disclosed separately below.

During 2025 to 2026 there were no transactions of a material nature, to either the council or related third parties, involving members of the council serving in a personal capacity.

For the purpose of this note senior staff have been defined as being members of the Leadership Team, plus those individuals that have a statutory responsibility (Head of Paid Services, S151 Officer and the Monitoring Officer). There are no transactions that require disclosure in relation to these senior staff for the year.

Anglia Revenues Partnership – joint committee

Anglia Revenues Partnership is a group of local authorities working together to provide a shared revenues and benefits service to the residents of partner councils and is governed under a joint committee arrangement. The five partner councils are the districts of Breckland, East Cambridgeshire, East Suffolk, Fenland and West Suffolk.

Each partner authority contributes to the shared costs of joint committee services undertaken on its behalf. The amounts of the council's share of expenditure incurred by the joint committee service are included within the council's Comprehensive Income and Expenditure Account as set out below:

	2025 to 2026 £000	2024 to 2025 £000
Income and expenditure in respect of related party transactions during the year		
Expenses	3,661	3,623
Income	(884)	(974)
	2,777	**2,649**

Further information regarding the Anglia Revenues Partnership can be found on its website:

www.angliarevenues.gov.uk

Anglia Revenues Partnership Trading Limited

ARP Trading Limited (ARPT) was set up initially in 2006, as a joint venture company, by Forest Heath District Council (a predecessor council of West Suffolk) and Breckland District Council.

In 2016 it was decided to extend the shareholding of ARPT to all of the councils in the ARP Joint Committee and the shareholding agreement was signed off on 25 January 2017 with issued share capital of £1,750 (£250 per council).

However, the decision was subsequently taken to cease trading, and the company was made dormant in June 2018.

There is a requirement for the company to prepare dormant accounts each year, but apart from the initial shareholding (£1,750) there are no other transactions.

Abbeycroft Leisure

West Suffolk's predecessor councils, Forest Heath District Council and St Edmundsbury Borough Council, transferred the operations of their leisure centres and athletics track, and the management of the bookings of other sports facilities, to Anglia Community Leisure (on 1 July 2008) and Abbeycroft Leisure (on 1 April 2005). Both Anglia Community Leisure and Abbeycroft Leisure were companies limited by guarantee, with charitable status and run by trustees.

The contracts involved the transfer of leisure centre staff and leasing the leisure centres and athletics track to the Trusts at peppercorn rentals in return for each council paying a management fee to contribute to running costs. The councils each had the power to nominate up to two trustees, as long as the number nominated did not equal or exceed 20 per cent of the total number of trustees.

Both Trusts worked in partnership since February 2013 and subsequently agreed to merge with effect from 1 April 2015. The merged single entity was named Abbeycroft Leisure.

The new board allows for 12 trustees. In light of the continuing development of this organisation and the fact that it operates contracts beyond the local authorities' areas, as well as their own facilities, the automatic right for the councils to appoint board members (or send observers) was removed under the merger.

During 2018 to 2019, the company undertook a further merger with South Suffolk Leisure, again retaining the name Abbeycroft Leisure.

West Suffolk Council no longer pays a management fee with effect from 2023 to 2024.

During 2020 to 2021 Abbeycroft Leisure's ability to operate was impacted by the pandemic and resulting lockdown restrictions. The council made available a £1 million loan facility to ensure the Trust remained viable and able to reopen as part of West Suffolk's COVID-19 recovery response. The first tranche of £500,000 was drawn down by Abbeycroft during 2022 to 2023. There have been no further drawdowns or repayments since.

During 2024 to 2025 the council set aside funding for Abbeycroft utility support under its Thriving Communities strategic priority, of which £100,000 was claimed. A further £294,141 was claimed by Abbeycroft during 2025 to 2026.

Abbeycroft Leisure's principal activity is to provide leisure facilities to the local community. Its registered address is Haverhill Leisure Centre, Lordscroft Lane, Haverhill, Suffolk, CB9 0ER.

Copies of Abbeycroft Leisure's audited accounts can be obtained from The Chief Executive at the above address.

Further information regarding Abbeycroft Leisure can be found on its website:

www.acleisure.com

Suffolk County Council and the Office of the Police and Crime Commissioner for Suffolk

The council has a statutory agency agreement with Suffolk County Council and the Office of the Police and Crime Commissioner for Suffolk to collect council tax on their behalf to meet their precepts. Under this arrangement the council has collected £115.271 million in 2025 to 2026 (£108.369 million in 2024 to 2025). At 31 March 2026 the council held council tax creditors on behalf of Suffolk County Council and the Office of the Police and Crime Commissioner for Suffolk, totalling £0.507 million (2024 to 2025 £0.045 million).

The total sums collected for Suffolk County Council, the Office of the Police and Crime Commissioner for Suffolk and West Suffolk Council are shown in the Collection Fund. The Comprehensive Income and Expenditure Statement, Balance Sheet and Cash Flow Statement show the council tax collected on behalf of the council but excludes the agency transactions.

Suffolk County Council – West Suffolk House Joint Committee

West Suffolk Council and Suffolk County Council have a joint committee for the purpose of overseeing the operation of their shared office building in Bury St Edmunds, West Suffolk House. The agreement between the councils provides for each authority sharing costs on an equal basis. The amounts of the council's share of expenditure incurred by the West Suffolk House Joint Committee are included within the council's Comprehensive Income and Expenditure Statement and Balance Sheet. The council's net contribution to the operational costs of the building during 2025 to 2026 was £0.695 million (£0.782 million 2024 to 2025).

Verse Facilities Management Limited

Verse Facilities Management Limited is a Joint Venture Company set up in 2015 between Vertas (a company wholly owned by Suffolk County Council), and West Suffolk Council's predecessor authorities (St Edmundsbury Borough Council and Forest Heath District Council). The shareholding is 60 per cent Vertas and 40 per cent West Suffolk Council. The main business of the company is to provide facilities management and property support services.

The financial share of the company is split 60:40 between the shareholders. No dividend payment was received by West Suffolk in 2024 to 2025 or 2025 to 2026. Receipts are reflected in the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Account.

From 2 June 2025, part of the service was brought back in house for West Suffolk Council. The custodians and post room staff became part of the Property Services team. The cleaning contract, along with the management of the print room and Café West, remain with Verse.

Group accounts have not been prepared for this entity as the sums involved are immaterial. Instead, the results of the Company are reported through this note to the accounts:

	2025 to 2026 £000	**2024 to 2025 £000**
Verse Facilities Management Ltd - Results Statement		
Turnover	2,027	2,191
Profit on ordinary activities before taxation	155	108
Net assets	300	320

These transactions and balances are not included within the council's accounts and are the draft company results.

Copies of Verse Facilities Management Ltd.'s accounts may be obtained by contacting them at:
Beacon House, Landmark Business Park, Whitehouse Road, Ipswich IP1 5PB

Barley Homes (Group) Limited

Barley Homes (Group) Limited is a company limited by shares and is wholly owned by West Suffolk Council.

The company, which was incorporated on 15 March 2016, will act commercially, building homes for sale and private rent (including delivering housing schemes in line with Planning Policy).

During March 2021 the company issued ordinary shares amounting to £0.6 million, all of which were purchased by the council.

The council has a revolving loan facility agreement with Barley Homes amounting to £14.25 million. This loan facility, agreed in December 2020, is to be used for the purposes of capital development of housing sites (including land purchase). As at 31

March 2026, the company had a net balance due to the council of £4.035 million (31 March 2025 £0.9 million).

As the sums involved are at a material level, group accounts have been prepared since 2020 to 2021 for this entity.

A summary of the key results for the financial year are given in the table below:

	2025 to 2026 £000	2024 to 2025 £000
Barley Homes Group Limited - Results Statement		
Turnover	0	0
Profit/(Loss) after taxation	(274)	(297)
Net Assets/(Liabilities)	417	691

These transactions and balances are not included within the council's single entity accounts, but they are included in the group accounts within these statements and are the draft company results.

The company's draft and approved accounts can be viewed on their website here Barley Homes Group Limited

Barley Homes Business Plan, setting out potential future developments and financial projections, was approved by Cabinet at its meeting on 9 December 2025. The report entitled 'Barley Homes Business Plan 2025' can be viewed here CAB/WS/25/061

Note 30 Capital expenditure and capital financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and PFI/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, a measure of the capital expenditure incurred historically by the council that has yet to be financed.

	2025 to 2026 Purchased Assets £000	2024 to 2025 Purchased Assets £000
Opening Capital Financing Requirement	**58,941**	**57,262**
Opening Capital Financing Requirement adjustment	**0**	**1,006**
Revised Opening Capital Financing Requirement	**58,941**	**58,268**
Capital investment		
Property, Plant and Equipment	22,151	9,866
Heritage Assets	13	0
Right of Use Assets recognised in the year	94	42
Revenue expenditure funded from capital under statute	2,426	3,126
Loans and advances treated as capital expenditure	3,135	100
Sources of Finance		
Capital receipts	(6,153)	(100)
Repayment of loan	0	(2,913)
Government grants and other contributions	(5,333)	(2,927)
Sums set aside from revenue		
Direct revenue contributions	(7,106)	(5,393)
Minimum Revenue Provision	(1,203)	(1,128)
Closing Capital Financing Requirement	**66,965**	**58,941**
Explanation of movements in year		
Increase or (decrease) in underlying need to borrowing (supported by government financial assistance)	0	0
Increase or (decrease) in underlying need to borrowing (unsupported by government financial assistance)	8,024	673
	8,024	**673**

Note 31 Leases

Transition to IFRS 16 Lease accounting

In 2024 to 2025 the council adopted International Financial Reporting Standard (IFRS) 16 (Leases) as required by the Code of Practice for Local Authority Accounting in the United Kingdom (the Code). The main impact of the new requirements is when the council is the lessee in a transaction. In this case, where arrangements were previously accounted for as operating leases (that is to say, without recognising the leased item as an asset and future lease payments as a liability) a Right-of-Use asset has been brought onto the Balance Sheet as at 1 April 2024. Where those leases have a commercial rent attached to them, a corresponding lease liability has also been brought onto the Balance Sheet as at 1 April 2024. Where leases are at nil consideration, or a peppercorn, then no lease liability is recorded and instead are treated as donated assets and included within Taxation and Non-Specific Grant income in the Comprehensive Income and Expenditure Statement.

Council as lessee:

The Council's lease contracts comprise leases of operational land and buildings. Most are individually insignificant, however significant leases include:

- The lease for land on which the Council's solar farm is situated. This commenced in August 2018 for a term of 25 years. The value of the asset as at 31 March 2026 was £725,000.
- The lease for land on which Bury St Edmunds Leisure Centre is situated. This commenced in April 1975 for a period of 99 years. The value of the asset as at 31 March 2026 was £508,000.

Right of use assets

Change in value of right of use assets held under leases by the council:

	2025 to 2026 **£000**	**2024 to 2025** **£000**
Balance at 1 April	4,585	3,773
Additions	94	42
Revaluations	91	828
Depreciation and amortisation	(52)	(58)
Balance as at 31 March	**4,718**	**4,585**

Transactions under leases

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

	2025 to 2026 £000	2024 to 2025 £000
Comprehensive income and expenditure statement		
Interest expense on lease liabilities	51	51
Expense relating to short term leases	0	14
Cash flow statement		
Total cash outflow for leases	51	51

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

	2025 to 2026 £000	2024 to 2025 £000
Not later than one year	146	142
Later than one year and not later than five years	400	380
Later than five years	919	948
Balance as at 31 March carried forward	**1,465**	**1,470**

Council as lessor:

The council leases out various assets and has undertaken a review to determine whether they are Finance or Operating leases.

Finance leases

The Council has one lease that is classified as a finance lease. The Council leases land at Recreation Way, Mildenhall, to Sainsbury's Supermarkets Ltd. The Council's net investment in the lease is a yearly peppercorn rent for 150 years. A lease Premium, however, was received by the Council in respect of this lease in 2009 to 2010.

Operating leases

The council leases out land, property and equipment under operating leases for the following purposes:

- for the provision of community services, such as sports facilities, leisure centres, tourism services, cultural centres and community centres

- for economic development purposes to provide suitable affordable accommodation for local businesses (which are typically three years in length)
- for the purposes of providing land for the development of retail facilities.

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

	2025 to 2026 £000	2024 to 2025 £000
Not later than one year	6,066	5,747
Later than one year and not later than five years	16,565	15,932
Later than five years	97,646	92,935
Balance as at 31 March carried forward	**120,277**	**114,614**

The minimum lease payments receivable do not include rents that are contingent on events taking place after the leases were entered into. There were £408,424 contingent rents receivable in 2025 to 2026 (£510,236 in 2024 to 2025) by the council for a percentage of rents received from retail tenants occupying Mildenhall town centre shopping precinct and land used for the Guineas shopping centre at Newmarket.

Note 32 Defined benefit pension schemes

Participation in pension schemes

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

The council participates in the Local Government Pension Scheme administered by Suffolk County Council. This is a funded, defined benefits final salary scheme, meaning that the council and its employees pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets.

Further information regarding the Local Government Pension scheme can be obtained from the Suffolk County Council Website:

www.suffolk.gov.uk

More general information in respect of Local Government Pension schemes can be found on the Local Government Employers website:

www.lge.gov.uk

Virgin Media case

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. The judgment has now been upheld by the Court of Appeal.

The Local Government Pension Scheme is a contracted out defined benefit scheme and amendments have been made during the period 1996 to 2016 which could impact member benefits. Work is being performed by the Government Actuary's Department as the Local Government Pension Scheme actuary to assess whether section 37 certificates are in place for all amendments and some of these have been confirmed. However, at the date of these financial statements, the full assessment is not complete. Until this analysis is complete, we are unable to conclude whether there is any impact to the liabilities or if it can be reliably estimated. As a result, the Council does not consider it necessary to make any allowance for the potential impact of the Virgin Media case in its financial statements.

Transactions relating to post-employment benefits

The council recognises the cost of retirement benefits in the Net 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 the council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out to the General Fund via the Movement in Reserves Statement.

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

	2025 to 2026 £000	**2024 to 2025 £000**
Comprehensive Income and Expenditure Statement		
Cost of Services		
Service costs comprising:		
Current service cost	3,487	4,329
Past service costs (including curtailments)	0	0
Financing and Investment Income and Expenditure		
Net Interest Expense	1,340	1,324
Total post-employment benefits charged to the surplus or deficit on the provision of services	**4,827**	**5,653**
Other post-employment benefits charged to the Comprehensive Income and Expenditure Statement		
Remeasurement of the net defined benefit liability comprising:		
Return on plan assets (excluding the amount included in the net interest expense)	(5,961)	(1,139)
Actuarial (gains) and losses arising on changes in demographic assumptions	(4,341)	(382)
Actuarial (gains) and losses arising on changes in financial assumptions	(4,401)	(32,403)
Other (if applicable)	15,269	(1,942)
Sub-total: Actuarial (gains) and losses	**566**	**(35,866)**
Changes in the effect of limiting the net defined benefit asset to the Asset Ceiling	(21,858)	34,786
Total post-employment benefits charged to other comprehensive income or expenditure	**(21,292)**	**(1,080)**
Total post-employment benefits charged to the Comprehensive Income and Expenditure Statement	**(16,465)**	**4,573**
Movement in Reserves Statement		
Reversal of net credits or (charges) made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the code of practice	(4,827)	(5,653)
Actual amount charged against the General Fund Balance for pensions in the year	**(21,292)**	**(1,080)**
Employers' contributions payable to scheme	**7,728**	**6,413**

Pension 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:

	2025 to 2026 £000	2024 to 2025 £000
Present value of the defined benefit obligation	(202,863)	(190,615)
Fair value of plan assets	296,293	275,335
Sub-total	**93,430**	**84,720**
Changes in the effect of limiting the net defined benefit asset to the Asset Ceiling	(94,505)	(109,988)
Net (liability)/asset arising from defined benefit obligation	**(1,075)**	**(25,268)**

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

	2025 to 2026 £000	2024 to 2025 £000
Opening fair value of scheme assets	**275,335**	**262,598**
Interest income	15,990	12,701
Remeasurement gains or (loss):		
The return on plan assets, excluding the amount included in the net interest expense	5,961	1,139
- Other (if applicable)	(1,725)	0
Contributions from employer	7,612	6,297
Contributions from employees into the scheme	1,810	1,598
Contributions in respect of unfunded benefits	116	116
Benefits paid	(8,690)	(8,998)
Unfunded benefits paid	(116)	(116)
Closing fair value of scheme assets	**296,293**	**275,335**

Reconciliation of present value of the Scheme Liabilities (Defined Benefit Obligation)

	2025 to 2026 £000	2024 to 2025 £000
Opening balance at 1 April	**190,615**	**218,038**
Current service cost	3,487	4,329
Interest cost	10,955	10,491
Contributions from scheme participants	1,810	1,598
Remeasurement (gains) and losses:		
Actuarial (gains) or losses arising from changes in demographic assumptions	(4,341)	(382)
Actuarial (gains) or losses arising from changes in financial assumptions	(4,401)	(32,403)
Other (if applicable)	13,544	(1,942)
Past service cost	0	0
Benefits paid	(8,690)	(8,998)
Unfunded benefits paid	(116)	(116)
Closing fair value of scheme liabilities	**202,863**	**190,615**

Calculation of the pension asset ceiling

Under International Accounting Standard 19 (IAS19) Employee Benefits, if the council's defined benefit obligation becomes an asset, then the amount that can be recognised in the accounts is restricted to the amount of the pension asset ceiling.

The pension asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. This recognises that any asset arising at the date of the balance sheet will most likely lead to a refund to the employer, or reduced contributions for a period of time.

The accounts must recognise the lower of the pension asset ceiling or the net defined benefit asset.

The pension asset ceiling is calculated by working out the difference between the net present value of employer's future service costs and the net present value of future employer's contributions. If the net present value of future service costs is less than the net present value of future contributions, then the asset ceiling is set at £0.

Furthermore, under IAS19, the International Financial Reporting Interpretations Committee (IFRIC 14) requires an additional liability to be recognised where agreed past service contributions would give rise to a future surplus and not be available after they are paid (that is, available as a refund or reduction in future contributions).

The council's actuary, Hymans, have carried out the necessary calculations to determine what this liability amounts to and, as the council has no agreed positive past service contributions, for 2025 to 2026 the value is £nil.

	2025 to 2026 **£000**	**2024 to 2025** **£000**
Economic benefit available as a reduction in future contributions		
Net present value of employer future service costs over future working lifetime	(173,544)	(156,455)
Net present value of future employer contributions	261,637	236,100
Asset Ceiling (economic benefit available as a reduction in future contributions)	**0**	**0**
Changes in the effect of limiting the net defined benefit asset to the Asset Ceiling		
Net pension asset	93,430	84,720
Effect of the Asset Ceiling	(94,505)	(109,988)
Net liability	**(1,075)**	**(25,268)**

In order to reduce the overall pension asset to the value of the pension asset ceiling, it is necessary to reflect a charge against the accounts.

This charge appears in the Comprehensive Income and Expenditure Statement and is included under Other Comprehensive Income and Expenditure in the actuarial (gains) or losses on pension assets and liabilities.

Local Government Pension Scheme assets comprised:

Current Year	2025 to 2026	2025 to 2026	2025 to 2026	2025 to 2026
Asset Category	**Quoted prices in active markets**	**Quoted prices not in active markets**	**Total**	**Percentage of total assets**
	£000	**£000**	**£000**	**%**
Debt Securities:				
Corporate Bonds (Investment Grade)	74,098	0	**74,098**	**25%**
	74,098	**0**	**74,098**	**25%**
Private Equity:				
All	**3,076**	**4,774**	**7,850**	**3%**
Real Estate:				
UK Property	**18,817**	**0**	**18,817**	**6%**
Overseas Property	**10,467**	**0**	**10,467**	**4%**
Investment Funds and Unit Trusts:				
Equities	140,401	0	**140,401**	**47%**
Infrastructure	0	23,569	**23,569**	**8%**
Other	0	12,684	**12,684**	**4%**
	140,401	**36,252**	**176,654**	**59%**
Cash and Cash Equivalents:				
All	**8,408**	**0**	**8,408**	**3%**
Totals	**255,267**	**41,026**	**296,294**	**100%**

Prior Year Asset Category	2024 to 2025 Quoted prices in active markets	2024 to 2025 Quoted prices not in active markets	2024 to 2025 Total	2024 to 2025 Percent-age of Total Assets
	£000	£000	£000	%
Debt Securities:				
Corporate Bonds (Investment Grade)	76,582	0	**76,582**	**28%**
	76,582	**0**	**76,582**	**28%**
Private Equity:				
All	**2,557**	**6,338**	**8,895**	**3%**
Real Estate:				
UK Property	**18,716**	**0**	**18,716**	**7%**
Overseas Property	**5,250**	**0**	**5,250**	**2%**
Investment Funds and Unit Trusts:				
Equities	128,249	0	**128,249**	**46%**
Infrastructure	0	26,760	**26,760**	**10%**
Other	0	8,764	**8,764**	**3%**
	128,249	**35,524**	**163,773**	**59%**
Cash and Cash Equivalents:				
All	**2,119**	**0**	**2,119**	**1%**
Totals	**233,473**	**41,862**	**275,335**	**100%**

Basis for estimating assets and liabilities

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

The liabilities have been assessed by Hymans Robertson LLP, an independent firm of actuaries, estimates for the Suffolk County Council Fund being based on the latest full valuation of the scheme at 31 March 2026.

The significant assumptions used by the actuary have been:

	2025 to 2026	2024 to 2025
Mortality assumptions:		
Longevity at age 65 for current pensioners:		
- Men	**22.0 years**	**21.6 years**
- Women	**24.9 years**	**24.5 years**
Longevity at age 65 for future pensioners:		
- Men	**22.7 years**	**22.3 years**
- Women	**26.3 years**	**26.0 years**
Financial assumptions:		
Rate of increase in pensions	**3.0%**	**2.8%**
Rate of increase in salaries	**4.0%**	**3.8%**
Rate for discounting scheme liabilities	**6.2%**	**5.8%**

Sensitivity analysis

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increase or decreases for men and women.

In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, that is to say on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous reporting period.

Impact on the defined benefit obligation in the scheme	Approximate percentage increase to employer liability	Approximate monetary amount
	%	£000
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	1%	3,001
1 year increase in member life expectancy	4%	8,114
Rate of increase in pensions (increase or decrease by 0.1%)	1%	2,848

Impact on the council’s cash flows

The objectives of the scheme are to keep employers’ contributions at as constant a rate as possible. The contributions paid by the employer are set by the fund Actuary at each triennial valuation, the most recent formal valuation being 31 March 2025. The next formal triennial valuation is due to be completed on 31 March 2028.

The council anticipates paying £4.433 million expected contributions to the scheme in 2026 to 2027.

The weighted average duration of the defined benefit obligation for scheme members is 15 years for 2025 to 2026.

Note 33 Contingent liabilities

Wilks Head and Eve have been instructed by West Suffolk Council on a rate retention consultancy since July 2020 providing advice and assistance with completion of the appeals provision for the NNDR 1 and NNDR 3 returns to Central Government.

At the end of the 2025 to 2026 financial year, Wilks Head and Eve removed all amounts relating to future appeals. This has been removed as they expect no more checks to be made before the 2023 rating list closed on the 31 March 2026. After this date no further checks can be made except on the outcome of a Tribunal decision.

There is an ongoing issue in contention with land values, age and obsolescence for certain categories of properties, (for example, contractors on libraries, schools and leisure etc), where Wilks Head and Eve are expecting contractor valuations to be appealed as these have not been agreed with the Valuation Office. Wilks Head and Eve are leading agents on this category and have further discussions with the Valuation Office in May. Wilks Head and Eve are confident of a settlement without pursuing to Tribunal so no allowance has been made on this category.

One class of property that is currently being pursued to the Tribunal is serviced offices. Wilks Head and Eve have reviewed West Suffolk’s portfolio and do not expect any checks to be made on the outcome of this and therefore we have not allowed a provision for this. Wilks Head and Eve will continue to monitor our portfolio after this Tribunal case and if any new Tribunal cases are pursued.

Note 34 Contingent assets

On-going claims against His Majesty's Revenue and Customs (HMRC) and others for the refund of VAT:

VAT is a complex area of taxation which involves the interpretation of guidance and legislation. At various times HMRC have changed rulings on the treatment of VAT based on the outcome of appeals and changes in legislation. This sometimes results in opportunities for organisations to reclaim overpaid VAT.

There are a small number of long running cases are still proceeding through the court and/or tribunal system which the council has a reserved interest in. Should the courts rule in favour of the taxpayer, there may be further opportunities for the council to pursue claims for overpayment of VAT. The quantity and strength of the claims will remain under constant review.

Note 35 Nature and extent of risks arising from financial instruments

Key risks

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

- Credit risk - the possibility that other parties might fail to pay amounts due to the council.
- Liquidity risk - the possibility that the council might not have funds available to meet its commitments to make payments.
- 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.

Overall procedures for managing risk

The council's finance team work actively to minimise the council's exposure to the unpredictability of the financial markets, and to protect the financial resources available to fund services. Risk management is carried out by the finance team under policies approved by the council in the Annual Treasury Management and Investment Strategy. The council provides written principles for overall risk management as well as written policies covering specific areas such as interest rate risk, credit risk and the investment of surplus cash.

Credit risk

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

This risk is minimised through the council's Annual Treasury Management and Investment Strategy, which requires that deposits are only made with high quality banks and building societies whose credit rating is independently assessed as sufficiently secure by the council's treasury management advisors (Sector Treasury Services) or, for non-rated building societies, subject to their meeting minimum financial criteria (based on asset base size and financial performance). The annual strategy also considers maximum amounts and time limits in respect of each financial institution.

The council's lending criteria for 2025 to 2026 was set out in the Annual Treasury Management and Investment Strategy 2025 to 2026, which was approved by the council in February 2025. The following table shows the credit criteria applicable as at 31 March 2026.

Credit rating		Banks unsecured	Banks secured	Pooled funds
AAA	Amount	£6,000,000	£12,000,000	£12,000,000
	Duration	5 years	20 years	20 years
AA+	Amount	£6,000,000	£12,000,000	£12,000,000
	Duration	5 years	10 years	15 years
AA	Amount	£6,000,000	£10,000,000	£10,000,000
	Duration	4 years	5 years	15 years
AA-	Amount	£6,000,000	£10,000,000	£10,000,000
	Duration	3 years	4 years	10 years
A+	Amount	£6,000,000	£8,000,000	£8,000,000
	Duration	2 years	3 years	5 years
A	Amount	£6,000,000	£8,000,000	£8,000,000
	Duration	13 months	2 years	5 years
A-	Amount	£6,000,000	£6,000,000	£6,000,000
	Duration	6 months	13 months	5 years
NONE	Amount	£6,000,000	Not applicable	£1,000,000
	Duration	6 months		5 years
UK Government	Amount	Unlimited	Not applicable	Not applicable
	Duration	50 years		
Other UK local authorities (based on Arlingclose Rating Formula)	Gold	£12,000,000	Not applicable	Not applicable
	Silver	£10,000,000		
	Bronze	£8,000,000		
	Duration	5 years		
Debt Management Office	Amount	Unlimited	Not applicable	Not applicable
	Duration	Not applicable		

The full Annual Treasury Management and Investment Strategy for 2025 to 2026 is available on the council's website.

The following analysis summarises the council's potential maximum exposure to credit risk based on past experience and current market conditions. The council did not have any money placed with Icelandic banks at the time of their collapse and has not lost any money on deposits with banks or other financial institutions (for example, building societies).

	Amount at 31 March 2026 £000s	Historical experience of default %	Historical experience adjusted for market conditions at 31 March 2026 %	Estimated maximum exposure to default and uncollectability at 31 March 2026 £000s	Estimated maximum exposure to default and uncollectability at 31 March 2025 £000s
	A	B	C	**A x C**	
Deposit with banks and other financial institutions	29,455	4.200	0.520	**153**	**205**

No credit limits were exceeded during the reporting period and the council does not expect any losses from non-performance by any of its counterparties in relation to its deposits with banks and other financial institutions.

Of the £3.924 million total debt outstanding at 31 March 2026, £1.566 million has exceeded its due date for payment. The debt in excess of due date is analysed by age as follows:

	2025 to 2026 £000	2024 to 2025 £000
Less than three months	947	549
Three to five months	62	276
Six months to one year	98	58
More than one year	458	286
	1,565	**1,169**

Liquidity risk

The council manages its liquidity position through the risk management procedures outlined above (that is to say, the setting and approval of prudential indicators and the approval of the Annual Treasury Management and Investment Strategy), as well as through a comprehensive cash flow management system, as required by the CIPFA Code of Practice. This seeks to ensure that cash is available when needed.

The council's financial plans (set out in the Medium Term Financial Strategy) seek to ensure that sufficient funds are maintained to cover annual expenditure commitments. In the event of an unexpected cash requirement the council has sufficient balances to cover day-to-day cash flow needs. If necessary, the council is able to borrow funds from the money markets and the Public Works Loans Board. There is therefore no significant risk that the council will be unable to raise finance to meet its commitments.

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

The approved prudential indicator limits for the maturity structure of debt and the limits places on investments placed for greater than one year in duration are the key parameters used to address this risk. The Council's approved treasury and investment strategies address the main risks and the central treasury team address the operational risks within the approved parameters. This includes monitoring the maturity profile of investments to ensure sufficient liquidity is available for the council's day to day cash flow needs, and the spread of longer term investments provide stability of maturities and returns in relation to the longer term cash-flow needs.

The maturity analysis of financial liabilities is as follows:

	2025 to 2026 £000	2024 to 2025 £000
Less than one year	9,131	8,673
Between one and five years	7,715	6,048
More than five years	9,000	9,250
	25,846	**23,971**

All trade and other payables are due to be paid within one year.

Maturity risk

Maturity risk arises from the possibility that the council may be required to renew a financial instrument on maturity at disadvantageous interest rates or terms. This risk is managed by maintaining a range of financial instruments with different institutions with different durations and maturity dates.

The approved treasury limits for investments placed for more than one year in duration are also a key parameter used to address this risk. As at 31 March 2026, the council had no investments placed for a period of more than one year.

Interest rate risk

Interest rate risk arises from the council's exposure to interest rate fluctuations on both its investments and borrowings. Movements in interest rates have a complex impact on the council. For instance, a rise in variable and fixed interest rates would have the following effects:

- Borrowings at variable rates – the interest expense charged to the Comprehensive Income and Expenditure Statement will rise
- Borrowings at fixed rates – the fair value of the borrowing liability will fall
- Investments at variable rates - the interest income credited to the Comprehensive Income and Expenditure Statement will rise
- Investments at fixed rates - the fair value of the assets will fall.

Borrowings are not carried at fair value on the Balance Sheet, so nominal gains and losses on fixed rate borrowings would not impact on the Comprehensive Income and Expenditure Statement. However, changes in interest payable or receivable on variable rate borrowings and investments would be posted to the Comprehensive Income and Expenditure Statement and affect the General Fund Balance. At present the council’s external borrowings are at fixed rates so they are not affected by changes in interest rates.

The council has a number of strategies for managing interest rate risk. The Annual Treasury Management and Investment Strategy draws together the council's prudential and treasury indicators and its expected treasury operations, including an expectation of interest rate movements. From this strategy a treasury indicator is set which provides maximum limits for fixed and variable interest rate exposure.

As the council did not have any variable rate investments during 2025 to 2026, there would have been no effect on its interest income had interest rates been either 1 per cent higher or lower.

Price risk

The council invested £0.600 million in equity shares in Barley Homes Group Ltd, its wholly owned housing delivery company in 2020 to 2021.

The council also has other historic shareholdings to the value of £0.698 million making its total shareholdings value £1.298 million.

The council is consequently exposed to losses arising from movements in the prices of the shares.

As a general guide a 5 per cent movement (positive or negative) in the value of these shares would result in a £0.065 million gain or loss.

Foreign exchange risk

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

Note 36 External audit costs

The council has incurred the following costs in relation to the audit of the Statement of Accounts:

	2025 to 2026 **£000**	**2024 to 2025** **£000**
Fees payable to Ernst and Young LLP with regard to external audit services carried out by the appointed auditor for the year	274	218
Fees payable for the certification of grant claims and returns	103	32
Fees payable in relation to the audit of the council's subsidiary housing company	4	4
Total external audit costs	**381**	**254**

Collection Fund and notes

Collection Fund Comprehensive Income and Expenditure Statement

The Collection Fund is an agent’s statement that reflects the statutory obligation for billing authorities to maintain a separate Collection Fund. This statement shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to local authorities and the Government of council tax and non-domestic rates.

Note 1

A manual adjustment was made to the council tax increase in bad debts provision in the 2024 to 2025 statement as a result of an error identified by external audit. This has been reversed from the opening balance for 2025 to 2026 to reflect the correct closing position.

	2025 to 2026			2024 to 2025		
	Council Tax £000	NNDR £000	Total £000	Council Tax £000	NNDR £000	Total £000
Income receivable						
Council Tax receivable	(136,514)	0	**(136,514)**	(128,100)	0	**(128,100)**
National Non-Domestic Rates receivable	0	(86,939)	**(86,939)**	0	(80,011)	**(80,011)**
Transitional protection (receivable) or payable	0	(514)	**(514)**	0	(1,576)	**(1,576)**
	(136,514)	**(87,453)**	**(223,967)**	**(128,100)**	**(81,587)**	**(209,687)**
Repayment of previous years surplus or (deficit)						
West Suffolk Council	86	(1,072)	**(986)**	142	3,123	**3,265**
Suffolk County Council	463	(268)	**195**	750	781	**1,531**
Office of the Police and Crime Commissioner for Suffolk	81	0	**81**	132	0	**132**
Central Government	0	(1,340)	**(1,340)**	0	3,903	**3,903**
	630	**(2,680)**	**(2,050)**	**1,024**	**7,807**	**8,831**
Precepts						
West Suffolk Council	18,075	33,421	**51,496**	17,194	31,441	**48,635**
Central Government	0	41,776	**41,776**	0	39,301	**39,301**
Suffolk County Council	98,059	8,355	**106,414**	92,196	7,860	**100,056**
Office of the Police and Crime Commissioner for Suffolk	17,213	0	**17,213**	16,172	0	**16,172**
	133,347	**83,552**	**216,899**	**125,562**	**78,602**	**204,164**
Charges to the Collection Fund						
Write-off of uncollectable amounts	0	0	**0**	367	859	**1,226**
Increase or (decrease) in bad debts provision	1,832	516	**2,348**	1,043	(243)	**800**
Increase or (decrease) in appeals provision	0	(2,989)	**(2,989)**	0	19	**19**
Interest paid on reduced liabilities and refunds	0	193	**193**	0	134	**134**
Cost of collection allowance	0	253	**253**	0	254	**254**
Renewable energy income retained by council	0	829	**829**	0	781	**781**
Enterprize zone income retained by council	0	2,139	**2,139**	0	2,092	**2,092**
	1,832	**941**	**2,773**	**1,410**	**3,896**	**5,306**
(Surplus) or deficit for the year	**(705)**	**(5,640)**	**(6,345)**	**(104)**	**8,718**	**8,614**
Fund balance as at 1 April	**(1,464)**	**1,683**	**219**	**(1,360)**	**(7,034)**	**(8,394)**
Adjustment to opening balance (see Note 1)	**(367)**	**0**	**(367)**			
(Surplus) or deficit carried forward	**(2,536)**	**(3,957)**	**(6,493)**	**(1,464)**	**1,683**	**220**

Notes to the Collection Fund Comprehensive Income and Expenditure Statement

Note CF1 Council Tax base

The Council Tax base table below shows the number of chargeable dwellings in each valuation band, expressed as band D equivalents. The total Council Tax income required to balance the Collection Fund can be calculated by multiplying the net tax base by the Council Tax at band D.

Tax Band	Property value	Equivalent numbers	Band D equivalent
Band A	up to £40,000	7,663	5,047
Band B	between £40,001 and £52,000	22,229	17,087
Band C	between £52,001 and £68,000	14,078	12,368
Band D	between £68,001 and £88,000	10,084	9,966
Band E	between £88,001 and £120,000	6,234	7,530
Band F	between £120,001 and £160,000	2,763	3,945
Band G	between £160,001 and £320,000	1,928	3,175
Band H	over £320,000	168	332
Council Tax base		**65,147**	**59,450**

The net amount payable by the council taxpayers is calculated by multiplying the number of dwellings in each band by the relevant Council Tax charge to give the gross amount and then making adjustments for discounts and so on.

The average total band D Council Tax for the year was £2,243.00.

Note CF2 Business rates

NNDR (also known as 'business rates') are currently set on a national basis. The Government specifies amounts, 55.5p in 2025 to 2026 and 49.9p for small businesses in 2025 to 2026 and, subject to the effects of transitional arrangements and reliefs, local businesses pay rates calculated by multiplying the rateable value of the business premises by the relevant amount.

The council is responsible for collecting rates due from the ratepayers in its area and, prior to 1 April 2013, paid the proceeds into an NNDR pool administered by the Government. On 1 April 2013 the Government introduced a new local government funding regime, the Business Rates Retention Scheme. This removed the national pool and instead allows councils to retain a set proportion of business rates collected (reflected as a precept) subject to set baselines and limits. The remainder of business rates collected are paid as precepts to the Government and Suffolk County Council. The new system also allows for pooling arrangements whereby a larger proportion of business rates collected are retained locally. West Suffolk is a member of the Suffolk Business Rate Pool.

The total non-domestic rateable value for the council's area at 31st March 2026 was £206,129,191.

Note CF3 Precepts and demands

The major preceptors on the Collection Fund are shown in the table below:

	2025 to 2026 Precept/ Demand £000	Share of balance 31 March 2026 £000	2025 to 2026 Total £000	2024 to 2025 Total £000
Council Tax				
Suffolk County Council	98,059	(1,864)	**96,195**	**91,120**
Office of the Police and Crime Commissioner for Suffolk	17,213	(327)	**16,886**	**15,983**
West Suffolk Council	18,075	(345)	**17,730**	**16,995**
	133,347	**(2,536)**	**130,811**	**124,098**
NNDR				
Suffolk County Council	8,355	(397)	**7,958**	**8,028**
Central Government	41,776	(1,974)	**39,802**	**40,146**
West Suffolk Council	33,421	(1,586)	**31,835**	**32,111**
	83,552	**(3,957)**	**79,595**	**80,285**

Group accounts

Introduction

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

The council wholly owns Barley Homes Group Ltd, and as a subsidiary entity it has been consolidated on a line by line basis with all intra-group transactions and balances removed.

Note 29 Related Parties (page 78) gives further details of Barley Homes Group Ltd, as well as disclosing the council's interest in other companies and entities.

The company's website can be accessed by following this link: Barley Homes Group Ltd

Group Comprehensive Income and Expenditure Statement

This statement consolidates the accounting cost to the council's group in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation.

Councils raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

	2025 to 2026			2024 to 2025		
	Gross expenditure	**Gross income**	**Net expenditure /(income)**	**Gross Expenditure**	**Gross Income**	**Net Expenditure /(Income)**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Chief Operating Officer	49,248	39,561	**9,687**	54,538	44,831	**9,707**
Housing, Communities and Regulatory	9,342	6,674	**2,668**	10,241	5,850	**4,391**
Planning and Growth	5,385	3,630	**1,755**	5,467	2,404	**3,063**
Operations	33,143	22,950	**10,193**	28,827	20,005	**8,822**
Deputy Chief Executive	964	0	**964**	984	0	**984**
Cost of Services	**98,082**	**72,815**	**25,267**	**100,057**	**73,090**	**26,967**
Other operating expenditure	5,961	0	**5,961**	5,539	0	**5,539**
Financing and investment income and expenditure	1,891	2,220	**(329)**	1,746	2,691	**(945)**
Taxation and non-specific grant income	0	37,329	**(37,329)**	0	36,851	**(36,851)**
(Surplus) or deficit on provision of services	**105,934**	**112,364**	**(6,430)**	**107,342**	**112,632**	**(5,290)**
Tax expenses of subsidiaries			**0**			**0**
(Surplus) or deficit of Group			**(6,430)**			**(5,290)**
Surplus on revaluation of Property, Plant and Equipment assets			**(14,927)**			**(9,139)**
Actuarial (gains) or losses on pension assets and liabilities			**(21,292)**			**(1,080)**
Other comprehensive (income) or expenditure			**(36,219)**			**(10,219)**
Total comprehensive (income) or expenditure			**(42,649)**			**(15,509)**

Group Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the council's group, analysed into 'usable reserves' (in other words those that can be applied to fund expenditure or reduce local taxation) and other 'unusable' reserves.

The statement shows how the movements in year of the council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The net increase or (decrease) line shows the statutory general fund balance movement in the year following those adjustments.

Prior year movements - 2024 to 2025	**General Fund and Earmarked Reserves**	**Capital Receipts Reserve**	**Capital Grants Unapplied**	**Total Usable Reserves**	**Unusable Reserves**	**Total Authority Reserves**	**Authority's share of subsidiary reserves**	**Total Reserves (including Group)**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Balance as at 1 April 2024	**49,958**	**10,468**	**264**	**60,690**	**196,452**	**257,142**	**387**	**257,529**
Movements in reserves during 2024 to 2025								
Total comprehensive income and expenditure	5,297	(7)	0	**5,290**	10,219	**15,509**	0	**15,509**
Adjustment between group accounts and council accounts	296	0	0	**296**	0	**296**	(296)	**0**
Net increase or decrease before transfers (Group accounts)	5,593	(7)	0	**5,586**	10,219	**15,805**	(296)	**15,509**
Adjustments between accounting basis and funding basis under regulations	1,883	1,931	1,851	**5,665**	(5,665)	**0**	0	**0**
Increase or (decrease) in 2024 to 2025	**7,476**	**1,924**	**1,851**	**11,251**	**4,554**	**15,805**	**(296)**	**15,509**
Balance as at 31 March 2025 carried forward	**57,434**	**12,392**	**2,115**	**71,941**	**201,006**	**272,947**	**91**	**273,038**

Current year movements - 2025 to 2026	General Fund and Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Authority Reserves	Authority's share of subsidiary reserves	Total Reserves (including Group)
	£000	£000	£000	£000	£000	£000	£000	£000
Balance as at 1 April 2025	**57,434**	**12,392**	**2,115**	**71,941**	**201,006**	**272,947**	**91**	**273,038**
Movements in reserves during 2025 to 2026								
Total comprehensive income and expenditure	6,430	0	0	**6,430**	36,219	**42,649**	0	**42,649**
Adjustment between group accounts and council accounts	274	0	0	**274**	0	**274**	(274)	**0**
Net increase or decrease before transfers (Group accounts)	6,704	0	0	**6,704**	36,219	**42,923**	(274)	**42,649**
Adjustments between accounting basis and funding basis under regulations	(5,997)	(5,009)	(1,084)	**(12,090)**	12,090	**0**	0	**0**
Increase or (decrease) in 2025 to 2026	**707**	**(5,009)**	**(1,084)**	**(5,386)**	**48,309**	**42,923**	**(274)**	**42,649**
Balance as at 31 March 2026 carried forward	**58,141**	**7,383**	**1,031**	**66,555**	**249,315**	**315,870**	**(183)**	**315,687**

Group Balance Sheet

The Balance Sheet below shows the value of the assets and liabilities recognised by the council's group as at the date of the Balance Sheet. The net assets of the council (assets less liabilities) are matched by the reserves held by the council's group.

West Suffolk group balance sheet	31 March 2026 £000	31 March 2025 £000
Property, plant and equipment	302,838	275,800
Heritage assets	7,440	7,348
Intangible assets	176	187
Long-term investments	699	580
Long-term debtors	564	564
Long-term assets	**311,717**	**284,479**
Short-term investments	6,575	5,579
Assets held for sale	0	476
Inventories	5,666	2,059
Short-term debtors	18,168	15,225
Cash and cash equivalents	22,919	33,778
Current assets	**53,328**	**57,117**
Short-term borrowing	0	(2)
Short-term creditors	(29,090)	(24,334)
Short-term provisions	(1,010)	(2,205)
Short-term grants receipts in advance	(150)	(152)
Short-term lease liabilities	(93)	(96)
Current liabilities	**(30,343)**	**(26,789)**
Long-term provisions	(371)	(352)
Long-term borrowing	(9,000)	(9,250)
Long-term grants receipts in advance	(7,715)	(6,046)
Long-term lease liabilities	(854)	(852)
Other Long-term liabilities	(1,075)	(25,268)
Long-term liabilities	**(19,015)**	**(41,768)**
Net assets	**315,687**	**273,039**
Usable reserves	(66,372)	(72,033)
Unusable reserves	(249,315)	(201,006)
Total reserves	**(315,687)**	**(273,039)**

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

Signed: Gregory Stevenson Date: 29 May 2026

Head of Service (Finance) (Deputy Section 151 Officer)

Group Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the council's group 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.

	2025 to 2026 £000	2024 to 2025 £000
Net (surplus) or deficit on the provision of services (from the Comprehensive Income and Expenditure Statement)	(6,430)	(5,290)
Adjustments to net (surplus) or deficit on the provision of services for non-cash movements	(2,097)	(6,519)
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	1,917	4,479
Net cash flows from operating activities	**(6,610)**	**(7,330)**
Investing activities	19,852	(18,081)
Financing activities	(2,383)	4,241
Net (increase) or decrease in cash and cash equivalents	**10,859**	**(21,170)**
Cash and cash equivalents at the beginning of the reporting period	(33,778)	(12,608)
Cash and cash equivalents at the end of the reporting period	**(22,919)**	**(33,778)**

Notes to the Group Statement of Accounts

The following notes are specific to the group accounts and only include line items where the group outcome is different to the disclosure in the council's single entity accounts. Explanations are given for material items only.

Note G1 Reconciliation between Single Entity and Group Comprehensive Income and Expenditure Statements

Those line items that have changed between the council's single entity accounts and group accounts are set out below:

Current year - 2025 to 2026	Council Single Entity £000	Subsidiary £000	Intra-group Transactions £000	Group Results £000
Chief Operating Officer	9,409	0	278	9,687
Housing, Communities and	2,840	113	(285)	2,668
Deputy Chief Executive	957	0	7	964
Cost of Services	**25,154**	**113**	**0**	**25,267**
Financing and investment income and expenditure	(490)	161	0	(329)
(Surplus) or deficit on provision of services	**(6,704)**	**274**	**0**	**(6,430)**
Total comprehensive (income) or expenditure	**(42,923)**	**274**	**0**	**(42,649)**

Financing and investment income and expenditure

There was no dividend payment made by the company to the council in 2025 to 2026 (no dividend payment in 2024 to 2025). Any dividend payment made by the company is reflected in the council's single entity accounts and is eliminated from the group accounts.

Tax expenses of subsidiaries

Barley Homes Group Ltd was not liable to corporation tax in either 2024 to 2025 or 2025 to 2026.

Prior year - 2024 to 2025	Council Single Entity £000	Subsidiary £000	Intra-group Transactions £000	Group Results £000
Chief Operating Officer	9,549	0	158	9,707
Housing, Communities and	4,305	252	(166)	4,391
Planning and Growth	3,061	0	2	3,063
Operations	8,823	0	(1)	8,822
Deputy Chief Executive	977	0	7	984
Cost of Services	**26,715**	**252**	**0**	**26,967**
Financing and investment income and expenditure	(989)	44	0	(945)
(Surplus) or deficit on provision of services	**(5,586)**	**296**	**0**	**(5,290)**
Total comprehensive (income) or expenditure	**(15,805)**	**296**	**0**	**(15,509)**

Note G2 Reconciliation between Single Entity and Group Balance Sheets

Those line items that have changed between the council's single entity accounts and group accounts are set out below:

Current year - 2025 to 2026	Council Single Entity £000	Subsidiary £000	Intra-group Transactions £000	Group Results £000
Long-term investments	1,299	0	(600)	699
Long-term debtors	4,599	0	(4,035)	564
Long-term assets	**316,352**	**0**	**(4,635)**	**311,717**
Inventories	593	5,073	0	5,666
Short-term debtors	18,373	45	(250)	18,168
Cash and cash equivalents	22,880	39	0	22,919
Current assets	**48,421**	**5,157**	**(250)**	**53,328**
Short-term creditors	(28,635)	(705)	250	(29,090)
Current liabilities	**(29,888)**	**(705)**	**250**	**(30,343)**
Long-term borrowing	(9,000)	(4,035)	4,035	(9,000)
Long-term liabilities	**(19,015)**	**(4,035)**	**4,035**	**(19,015)**
Net assets	**315,870**	**417**	**(600)**	**315,687**
Usable reserves	(66,555)	(417)	600	(66,372)
Unusable reserves	(249,315)	0	0	(249,315)
Total reserves	**(315,870)**	**(417)**	**600**	**(315,687)**

Long-term investments and usable reserves

During March 2021 the company issued ordinary shares amounting to £600,000 all of which were purchased by the council. The council's investment and the company's share capital reserve have been eliminated from the group Balance Sheet.

Inventories

Inventories reflect the housing company's work in progress at the end of the period.

Long term debtors and Long term borrowing

Since 2023 to 2024 the council has advanced loans to Barley Homes amounting to £4,035,000. The council's debtor and the company's borrowing have been eliminated from the group Balance Sheet.

Prior year - 2024 to 2025	Council Single Entity £000	Subsidiary £000	Intra-group Transactions £000	Group Results £000
Long-term investments	1,180	0	(600)	580
Long-term debtors	1,464	0	(900)	564
Long-term assets	**285,979**	**0**	**(1,500)**	**284,479**
Inventories	266	1,793	0	2,059
Short-term debtors	15,159	149	(83)	15,225
Cash and cash equivalents	33,773	5	0	33,778
Current assets	**55,253**	**1,947**	**(83)**	**57,117**
Short-term creditors	(24,062)	(355)	83	(24,334)
Current liabilities	**(26,517)**	**(355)**	**83**	**(26,789)**
Long-term borrowing	(9,250)	(900)	900	(9,250)
Long-term liabilities	**(41,768)**	**(900)**	**900**	**(41,768)**
Net assets	**272,947**	**692**	**(600)**	**273,039**
Usable reserves	(71,941)	(692)	600	(72,033)
Unusable reserves	(201,006)	0	0	(201,006)
Total reserves	**(272,947)**	**(692)**	**600**	**(273,039)**

Note G3 Reconciliation between Single Entity and Group Cash Flow Statements

Those line items that have changed between the council's single entity accounts and group accounts are set out below:

Current year - 2025 to 2026	Council Single Entity £000	Subsidiary £000	Intra-group Transactions £000	Group Results £000
Net (surplus) or deficit on the provision of services (from the Comprehensive Income and Expenditure Statement)	(6,704)	274	0	(6,430)
Adjustments to net (surplus) or deficit on the provision of services for non-cash movements	(4,923)	2,827	0	(2,096)
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	1,916	(3,135)	3,135	1,916
Net cash flows from operating activities	**(9,711)**	**(34)**	**3,135**	**(6,610)**
Investing activities	22,987	0	(3,135)	19,852
Financing activities	(2,383)	0	0	(2,383)
Net (increase) or decrease in cash and cash equivalents	**10,893**	**(34)**	**0**	**10,859**
Cash and cash equivalents at the beginning of the reporting period	(33,773)	(5)	0	(33,778)
Cash and cash equivalents at the end of the reporting period	**(22,880)**	**(39)**	**0**	**(22,919)**

Prior year - 2024 to 2025	Council Single Entity £000	Subsidiary £000	Intra-group Transactions £000	Group Results £000
Net (surplus) or deficit on the provision of services (from the Comprehensive Income and Expenditure Statement)	(5,586)	296	0	(5,290)
Adjustments to net (surplus) or deficit on the provision of services for non-cash movements	(6,407)	(111)	0	(6,518)
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	4,479	(100)	100	4,479
Net cash flows from operating activities	**(7,514)**	**85**	**100**	**(7,329)**
Investing activities	(17,982)	0	(100)	(18,082)
Financing activities	4,241	0	0	4,241
Net (increase) or decrease in cash and cash equivalents	**(21,255)**	**85**	**0**	**(21,170)**
Cash and cash equivalents at the beginning of the reporting period	(12,518)	(90)	0	(12,608)
Cash and cash equivalents at the end of the reporting period	**(33,773)**	**(5)**	**0**	**(33,778)**

Accounting policies

General principles

The Statement of Accounts summarises the council's transactions for the 2025 to 2026 financial year and its position at the year-end of 31 March 2026. The council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015, which those Regulations require to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Council Accounting in the United Kingdom 2025 to 2026, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

Accruals of income and expenditure

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

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed - where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including those rendered by the council's officers) are recorded as expenditure when the services are received, rather than when payments are made.
- Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where there is evidence that debts are unlikely to be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Where the council is acting as an agent for another party (for example in the collection of NNDR and council tax), income and expenditure are recognised only to the extent that commission is receivable by the council for the agency services rendered or the council incurs expenses directly on its own behalf in rendering the services.

Deferred income

Where the council has received income in respect of goods, services or lease obligations which have not yet been delivered, these sums will be classified as deferred income and held in the Balance Sheet as a long-term liability. These sums will subsequently be recognised in the relevant areas of the accounts when the goods or services have been received or the obligations have been met.

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 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.

Costs of disposals

Costs of disposal are incremental costs directly attributable to the disposal of an asset. The statutory arrangements for capital receipts permit costs of disposals to be financed from the receipts generated from sales. This is capped at 4% of the capital receipt.

Where the council has had costs of sale in relation to disposal of assets, these costs will be charged initially to revenue with a transfer then taking place from the capital receipts reserve to offset these costs.

Exceptional items

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

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, 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 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.

Charges to revenue for non-current assets

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

- depreciation attributable to the assets used by the relevant service

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

The council is not required to raise council tax to cover depreciation, revaluation and impairment losses or amortisations. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by revenue provision in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Accounting for council tax and non-domestic rates (NDR)

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

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement (CIES) is the authority’s share of accrued income for the year. However, regulations determine the amount of council tax and NDR that must be included in the authority’s General Fund. Therefore, the difference between the income included in the CIES and the amount required by regulation to be credited to the General Fund is taken to the collection fund adjustment account and included as a reconciling item in the Movement in Reserves Statement.

The Balance Sheet includes the authority’s share of the end of year balances in respect of council tax and NDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals.

Employee benefits

Benefits payable during employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (for example cars) for current employees and are recognised as an expense in the year in which employees render service to the council. The council's annual leave policy is that a maximum of 5 days is permissible to be carried forward into the following year. An annual exercise is carried out to quantify any potential accrual for the cost of holiday entitlements earned by employees but not taken before the year-end and which employees can carry forward into the next financial year. This accrual is calculated taking the budgeted average salary rates applicable in the following accounting year, being the period which the employee takes the benefit. Where the value of this accrual is material in total, the accrual is charged to surplus or deficit on the provision of services but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Non Distributed Costs line in the Comprehensive Income and Expenditure Account when the council is demonstrably committed to either terminating the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

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

Post-employment benefits

Employees of the council are members of the Local Government Pensions Scheme, administered by Suffolk County Council. The scheme provided defined benefits to members (retirement lump sums and pensions), earned as employees worked for the council.

The Local Government Pension Scheme

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

- The liabilities of the Suffolk County Council pension fund attributable to the council are included in the Balance Sheet on an actuarial basis using the projected unit method – an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices. The rate employed for the accounts is the yield available on long dated, high quality corporate bonds, as measured by the Hymans Robertson corporate bond yield curve, which is constructed based on the constituents of the iBoxx AA corporate bond index.
- The assets of the Suffolk County Council pension fund attributable to the council are included in the Balance Sheet at their fair value:

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

- The change in the net pensions' liability is analysed into seven components:

    - current service cost - the increase in liabilities as a result of years of service earned this year - allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
    - past service cost - the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years - debited to the Surplus or Deficit on the Provision of Services in the

Comprehensive Income and Expenditure Statement as part of Non Distributed Costs

  - interest cost - the expected increase in the present value of liabilities during the year as they move one year closer to being paid - debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
  - expected return on assets - the annual investment return on the fund assets attributable to the council, based on an average of the expected long-term return - credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
  - gains or losses on settlements and curtailments - the result of actions to relieve the council of liabilities or events that reduce the expected future service or accrual of benefits of employees - debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs
  - actuarial gains and losses - changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions - debited to the Pensions Reserve
  - contributions paid to the Suffolk County Council pension fund - cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the council to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact on the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits earned by employees.

Discretionary benefits

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

Events after the reporting period

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

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

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

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 initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

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

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

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

Financial instruments - financial assets

From 1 April 2018 Financial Assets are classified into three categories based on the cash flows and business model objectives under which they are held due to the introduction of IFRS 9:

- Amortised Cost – Held in order to collect contractual cash flows
- Fair Value Though Other Comprehensive Income (FVTOCI) – held for both collecting contractual cash flows and selling financial assets
- Fair Value Through Profit and Loss (FVTPL) – All other combinations of business model and contractual cash flows

These replace the categories ‘loans and receivables’, ’fair value through profit and loss’ and ‘assets held for sale’ under previous accounting standard (IAS 39).

The tests for classification are as follows:

Solely Payments of Principle and Interest

If the financial asset meets the criteria of being held solely for interest generation and repayment of principle, then it moves onto the business model test (below) for classification. If this criterion is not met the financial asset will be classified as FVTPL by default.

Business model

Business Model	IFRS 9 Classification
The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows	Amortised Cost
The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets	Fair Value Through Other Comprehensive Income (FVTOCI)
Achieve objectives by any other means than collecting contractual cash flows	Fair Value Through Profit and Loss (FVTPL)

Designating

After initial recognition an asset may be designated to FVTOCI if it is an equity instrument which is not held for trading.

It is also possible to designate to FVTPL if it 'significantly reduces and accounting mismatch' but unlike FVTOCI designation this must be carried out on initial recognition, however both designations are irrevocable.

In the unlikely event that designation occurs separate disclosures will be produced.

IFRS 9 Classification – Accounting Treatment

Amortised cost

Financial assets classified as held at amortised cost are shown as such in the Balance Sheet.

Movements in amortised cost debited or credited to the Surplus or Deficit on the Provision of Services of the Comprehensive Income and Expenditure Statement. Interest is credited here using the effective interest method as well as impairment allowance debits and credits. Fair value movements are not recognised until derecognition or reclassification.

FVTOCI

Not designated:

Financial assets classified as FVTOCI are held at Fair Value in the Balance Sheet. Interest is credited to the Surplus or Deficit on the provision of services at the effective rate. Impairment allowances are credited or debited to Surplus or Deficit on the provision of services, but the compensating entry is coded to Other Comprehensive Income and Expenditure (OCI) not the asset carrying amount. Fair value changes are posted to the OCI. Cumulative gains or losses are posted to the Surplus or Deficit on the Provision of Services on derecognition.

Designated:

Financial instruments designated as FVTOCI are accounted for as above with the exception of gains and losses on derecognition being applied directly to the OCI.

FVTPL

These financial assets are held at Fair Value in the Balance Sheet. All gains and losses are posted directly to the Surplus or Deficit on the Provision of Services as they arise.

Impairment

Financial assets held as amortised cost or FVTOCI are within the scope of impairment under IFRS 9 with the exception of UK government instruments and inter authority lending. Equity instruments designated to FVTOCI are also excluded.

IFRS 9 introduces the expected loss model of calculating impairment of financial assets. Assets will be assessed for impairment annually and any material impairments will be coded appropriately to the statement of accounts. The authority will use various sources to calculate expected losses including appointed advisors, historical experience, and credit scores.

An impairment loss will arise where the contractual cash flows exceed the expected cash flows.

IFRS 9 prescribes the measures of impairment to be used, outlined below:

Lifetime

An estimate of the losses that could occur over the remaining term as a result of defaults, weighted by the probabilities that those defaults might take place. Used where there has been a significant increase in the risk profile of an instrument or when the collective or simplified approaches are applied.

12 month

An estimate of the losses that could occur over the remaining term as a result of defaults that could happen in the next financial year, weighted by the probabilities that those defaults might take place. Used on low risk instruments or those where risk has reduced or remained unchanged since recognition.

Cumulative change since recognition

The movement in lifetime ECLs since the asset was initially recognised.
Only for assets credit-impaired on initial recognition.

Collective approach

Where information on the risk of individual assets cannot be obtained without undue cost or effort the collective approach will be applied. The collective approach groups assets with similar characteristics together applying the lifetime expected loss calculation to the group. The authority will apply this where appropriate.

Simplified approach

The simplified method uses lifetime expected credit losses and must be applied to trade receivables without a significant financing component and those with remaining contract of over 12 months. The authority will use a provision matrix as per Note 17 Debtors (page 60).

Government grants and contributions

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

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

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

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.
Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Account. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Account are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Heritage assets

The council’s heritage assets can be categorised as follows:

- Historic buildings and monuments – including the West Stow Anglo Saxon Village and St Saviours Hospital ruins
- The Museum Collections – including fine and decorative art, horology, textiles, archaeology, and social history collections
- Civic Regalia – including civic and ceremonial items

Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the council’s accounting policies on property, plant and equipment. Recognition of the heritage assets is subject to a £10,000 de minimis threshold. However, some of the measurement rules are relaxed in relation to heritage assets as detailed below.

Heritage buildings, statues and monuments

Assets used in the provision of services (for example, museum buildings) are accounted for within the council’s operational assets. The properties which fall within the definitions of heritage assets are St Saviours Hospital (largely foundations only remaining) and West Stow Anglo Saxon Village (a historic recreation of an Anglo Saxon village constructed as an educational project during the latter half of the twentieth century). As cost and valuation information is not available for these assets, they are not reported on the council's Balance Sheet.

Other Buildings, Statues and Monuments include the Newmarket Stallion (a bronze statue of King Charles II's horse, Old Rowley) and Mildenhall Market Cross situated in Mildenhall town centre. These items are reported in the Balance Sheet at depreciated replacement cost, supplied by external valuers with specialist knowledge of this market. These valuations are kept under review and are updated annually. Where there is considered to be a determinate life, the council will depreciate in accordance with the Authority's accounting policies on property, plant and equipment.

The museum collections

Fine and Decorative Art - The Fine and Decorative Art collection includes paintings (the most notable of which is a portrait by James Tissot valued at £1.8 million), statues and various decorative art collections including antique glass, armorial porcelain, snuff boxes and scent bottles. These items are reported in the Balance Sheet at insurance valuation which is based on market values supplied by external valuers with specialist knowledge of this market. These valuations are kept under review by the council's Heritage Services staff and updated annually.

Horology - Horology includes the Gershom Parkington collection, the Allen collection of American clocks, and various clocks by local makers. These items are reported in the Balance Sheet at insurance valuation which is based on market values supplied by external valuers with specialist knowledge of this market. These valuations are kept under review by the council's Heritage Services staff and updated annually.

Textiles - Textiles incorporate the Irene Barnes collection of 1920s costume along with a wide range of other textile and costume related items, focusing on the period 1850-1950. Due to the number and diverse nature of the artefacts within this collection, and to the lack of comparable values, the council considers that the cost of obtaining valuations for these items would be disproportionate in comparison to the benefits to the users of the council's financial statements. The council does not therefore recognise this collection of heritage assets on the Balance Sheet.

Archaeology - Includes prehistory, Bronze Age, Iron Age, Romano British, Anglo Saxon and Medieval material. In the opinion of the council the archaeological collection cannot be valued because the number and wide variety of the artefacts makes it impractical to do so. Conventional valuation approaches lack sufficient reliability in this field and the council considers that the cost of obtaining valuations for these items would be disproportionate in terms of the benefit gained. The council does not therefore recognise this collection of heritage assets on its Balance Sheet.

Social History - The Social History collection includes everything post Medieval which does not fall into the specialist categories of Horology, Fine and Decorative Art or Archaeology. In the opinion of the council the Social History collection cannot be valued because the number and wide variety of the artefacts makes it impractical to do so. Conventional valuation approaches lack sufficient reliability in this field and the council considers that the cost of obtaining valuations for these items would be disproportionate in terms of the benefit gained. The council does not therefore recognise this collection of heritage assets on the Balance Sheet.

Civic regalia

Civic regalia includes ceremonial items such the maces, swords, chains of office and other ceremonial items. These items are reported in the Balance Sheet at insurance replacement valuations which are based on market values supplied by external valuers with specialist knowledge of this market. These valuations are kept under review by the council's Heritage Services staff and updated annually.

The civic items held by the council are all deemed to have indeterminate lives and high residual values; hence the council does not consider it appropriate to charge depreciation.

Heritage assets – general

The heritage assets held by the council are all deemed to have indeterminate lives and high residual values; hence the council does not consider it appropriate to charge depreciation. Acquisitions of heritage items are primarily by donation and purchase. Significant bequests include a portrait by James Tissot of Sydney Milner-Gibson (donated in the 1920s) and the Gershom-Parking collection of watches and clocks (donated in 1953). Acquisitions are initially recognised at cost and donations recognised at valuation. The carrying value of heritage assets are reviewed for evidence of impairment, for example through physical deterioration or breakages or where doubts arise as to their authenticity. Any impairment is recognised and measured in accordance with the council's general policies on impairment. The council does not normally purchase or dispose of significant heritage asset items. On rare occasions where items may be disposed of the proceeds of such items are accounted for in accordance with the council's general provisions relating to the disposal of property, plant and equipment.

The council has adopted a formal Acquisitions and Disposal Policy for its Heritage Services, which is available via the council's web site – www.westsuffolk.gov.uk. This policy outlines the principles governing the acquisition and disposal of material by West Suffolk Heritage Service within the context of its mission to 'develop, preserve and explain the collections held by West Suffolk Council for as wide an audience as possible, to foster the region's diverse cultural, natural and archaeological heritage, and to improve the quality of life for the district's residents and visitors.'

Intangible assets

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

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

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

Intangible assets are measured initially at cost. All intangible assets held by the Authority have a finite useful life and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired - any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

The Useful Economic Lives (UEL) of the council's intangible assets range from 3 to 5 years. The council's Market Rights are held as intangible assets but are deemed to have indefinite life, and an annual impairment review is undertaken.

Interests in companies and other entities

The council has interests in ARP Trading Limited, Verse Facilities Management Limited and Barley Homes (Group) Limited that have the nature of subsidiaries, joint ventures and associates and requires the council to prepare group accounts. As only the amounts relating to Barley Homes (Group) Ltd are material, group accounts have not been prepared for either ARP Trading Limited or Verse Facilities Management Limited.

Barley Homes (Group) Limited is a 100 per cent subsidiary of the council, and as such the accounts have been fully consolidated on a line by line basis after excluding any intercompany transactions.

Within the council's own single entity accounts, the interest in companies and other entities are recorded as financial assets at cost, less any provision for losses.

Inventories

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. Inventories held by the council include wheeled bins, fuel and vehicle spares.

Investment properties

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

The council does not currently hold any investment properties.

Joint operations and jointly controlled assets

Joint operations are activities undertaken by the council in conjunction with other parties that involve the use of the assets and resources of the parties rather than the establishment of a separate entity.

This Council has a joint operation, not an entity, with the districts of Breckland, East Cambridgeshire, Fenland, and East Suffolk, through the Anglia Revenues Partnership

Joint Committee. In accordance with the code the council has accounted for its share of the income and expenditure within its own single entity accounts.

Jointly controlled assets are items of property, plant or equipment that are jointly controlled by the authority and other parties, with the assets being used to obtain benefits for the parties. The joint arrangement does not involve the establishment of a separate entity.

In accordance with the code and the Anglia Revenues Partnership Joint Committee agreement, the council has accounted for its share of the assets being used by the joint operation.

Leases

The council has adopted IFRS 16 (Leases) with effect from 1 April 2024. The adoption of this standard resulted in the balance sheet recognition of right of use assets and related lease liabilities in relation to former operating leases where the council was lessee. The council has elected to apply recognition exemptions to low value assets (below £10,000) and to short-term leases – that is to say, existing leases that expire on or before 31 March 2025.

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

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets. The Code expands the scope of IFRS 16 Leases to include arrangements with nil consideration, peppercorn or nominal payments.

The council as lessee

A right of use asset and corresponding lease liability are recognised at commencement of the lease.

The lease liability is measured at the present value of the lease payments, discounted at the rate implicit in the lease, or if that cannot be readily determined, at the lessee's incremental borrowing rate specific to the term and start date of the lease. Lease payments include: fixed payments; variable lease payments dependent on an index or rate, initially measured using the index or rate at commencement; the exercise price under a purchase option if the Council is reasonably certain to exercise; penalties for early termination if the lease term reflects the Council exercising a break option; and payments in an optional renewal period if the Council is reasonably certain to exercise an extension option or not exercise a break option.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments resulting from a rent review, change in an index or rate such as inflation, or change in the Council's assessment of whether it is reasonably certain to exercise a purchase, extension or break option.

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

The right of use asset is initially measured at cost, comprising: the initial lease liability; any lease payments already made less any lease incentives received; initial direct costs; and any dilapidation or restoration costs. The right of use asset is subsequently depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

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

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

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

As permitted by the Code, the Council excludes leases of low value assets (value when new less than £10,000) and short-term leases of 12 months or less.

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight-line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low value items or shorter than 12 months are expensed. Depreciation and impairments are not charges against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

The council as lessor

Finance leases

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

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

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property - applied to write down the lease liability (together with any premiums received), and

- finance income (credited to the Financing and investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

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

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

Operating leases

Where the council grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (for example there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

Overheads and support services

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

Property, plant and equipment

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

Recognition

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

The following de minimis levels are applied:

- Land and buildings - all land and buildings are included
- Operational vehicles and plant - £10,000 de minimis

- Other assets - £10,000 de minimis.

Expenditure below the stated de minimis thresholds, and expenditure that secures but does not extend the previously assessed standard of performance of an asset (for example repairs and maintenance) is charged directly to service revenue accounts.

Measurement

Assets are initially measured at cost, comprising:

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

The cost of assets acquired other than by purchase is deemed to be its fair value unless the acquisition will not increase the cash flows of the council. In the latter case, the cost of the acquisition is the carrying amount of the asset given up by the council. Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

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

- infrastructure, community assets and assets under construction - historical cost
- dwellings - fair value, determined using the basis of existing use value for social housing (EUV-SH)
- vehicles, plant and equipment are measured at historic cost as a proxy for current value.
- all other assets - fair value, determined as the amount that would be paid for the asset in its existing use (existing use value - EUV).

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

Assets included in the Balance Sheet at fair value are revalued every five years as part of a rolling programme with annual indexation applied to assets in the four intervening years. Where the Authority is unable to obtain indices without undue cost or effort, the Authority will revalue those assets using a quinquennial revaluation with a desktop valuation in year three.

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a revaluation or impairment loss previously charged to a service.

Where decreases in value are identified, the revaluation loss is accounted for by:

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

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

Impairment

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

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

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

Where an impairment loss is subsequently reversed, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Disposals and non-current assets held for sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

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

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

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

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts and can only be used for new capital investment. Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

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

Depreciation

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

Depreciation is calculated on the basis of a straight-line allocation over the useful life of the asset.

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. The council only accounts for an asset on a component basis of the cost or valuation if that asset exceeds £1.5 million unless there is clear evidence that this would lead to a material misstatement in the council's financial statements.

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

Minimum revenue provision

Expenditure on assets which have a life expectancy of more than one year (for example, buildings, vehicles, machinery etc) is normally classified as capital expenditure. Capital expenditure can be financed through the council's capital reserves (accumulated from capital receipts), revenue contributions (including use of revenue reserves) or external debt. Where capital expenditure is financed by external debt it would be impractical to charge the entirety of such expenditure to revenue in the year in which it was incurred and so such expenditure is spread over several years to match the expected useful life of the asset. The manner of spreading these costs is through an annual Minimum Revenue Provision, which was previously determined under Regulation, and will in future be determined under Guidance.

In accordance with the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008, the council continues to use the Capital Financing Requirement method for calculating the Minimum Revenue Provision for supported capital expenditure. The council has no unsupported debt.

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. For instance, the council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

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

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

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

Contingent liabilities

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

Contingent assets

A contingent asset arises where an event has taken place that gives the council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

Reserves

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

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments and retirement benefits, and do not represent usable resources for the council.

Revenue expenditure funded from capital under statute

Expenditure incurred during the year that may be capitalised under statutory provisions but 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 (for example, improvement grants made to individuals and capital expenditure on assets not owned by the council). Where the council has determined to meet the cost of this expenditure from existing capital resources, 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.

VAT

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

West Suffolk Annual Governance Statement 2025 to 2026

Introduction

1. The West Suffolk Council Local Code of Corporate Governance[1] sets out how West Suffolk Council aims to apply the principles of corporate governance which describes how organisations direct and control what they do. We are committed to the principles of good governance and maintain our commitment through the development, adoption and continued maintenance of this Code.

2. There are seven core principles of good governance in the public sector. Each core governance principle has a set of sub-principles beneath it with a description of how we meet those principles – these are explained in more detail within the Code as Principles 'A' through to 'G'.

3. This Annual Governance Statement provides key examples under each of the seven core principles where the council has adhered to its governance commitments throughout 2025 to 2026. The council has a broad range of strategies and policies in place and therefore this is not intended to be an exhaustive list.

General

In September 2025, the Suffolk district and borough councils submitted a detailed business case to government outlining their final proposals for local government reorganisation (LGR) in the county. Government subsequently announced a statutory consultation on all submitted LGR proposals for areas in the devolution priority programme. The consultation ran from September 2025 to January 2026.

In March 2026, the Secretary of State for Housing, Communities and Local Government confirmed that they are minded to create three unitary councils in Suffolk. Under the new arrangements, the new councils will come into operation in April 2028, with elections scheduled for 2027 to establish the shadow authorities responsible for shaping and overseeing the transition.

The six existing councils have started the preparatory work, and will now begin detailed planning on the transition, with further information to be shared once plans are confirmed.

To assist the LGR process, government confirmed in December 2025, that elections to a new Norfolk and Suffolk mayoral combined authority, with strategic powers over funding, transport, skills and employment provision, housing and business support have been delayed until May 2028.

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[1] The code was prepared in accordance with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE) Framework, 'Delivering Good Governance in Local Government'

Principles of good governance review 2025 to 2026

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Constitution

The Council's Constitution Review Group met on two separate occasions in 2025 to 2026. The group reviewed the effectiveness of the Constitution and identified areas that could be developed further to improve the way the council makes decisions.

The following changes were agreed by Council on 15 July 2025 (report refers):

- Proposed changes to the Contract Procedure Rules to reflect the Procurement Act 2023.
- Part 3 – Section 2 – Responsibility for Council (Non-Executive) Functions (A1(1)(e) Development Control)
- Part 3 – Section 2 – Responsibility for Council (Non-Executive) Functions (A1(4)(d) Development Control)
- Part 5 – West Suffolk Planning Code of Practice
- Part 5 – West Suffolk Licensing Code of Practice
- Part 3 – Section 2 – Responsibility for Council (Non-Executive) Functions C.6 2.1 Financial Resilience Sub-Committee Membership and Meeting Arrangements

The following changes were agreed by Council on the 16 December 2025 (report refers):

- Council Procedure Rules (Motions which need written notice)
- Part 4a – Council Procedure Rules – paragraph 6.2 and Part 4b Committee Procedure Rules – paragraph 11.2.

B. Ensuring openness and comprehensive stakeholder engagement

Engagement

Alongside its strategic priorities, the council set out its commitment to engagement and listening to local voices that will shape what we deliver across the district. We are building on our approach to engagement with a set of principles and guidance that incorporates advice from the Local Government Association's Corporate Peer Challenge.

Case study – Local Government Reorganisation consultation

Following the publication of the government's White Paper on devolution, Suffolk district and borough councils began working together to explore potential options for local government reorganisation with a view towards submitting a joint-proposal for three Suffolk unitary authorities in September 2025.

To support the development of the joint-proposal and gain an understanding of the thoughts and priorities of residents and stakeholders, the district and brough councils launched a Suffolk wide consultation survey. The survey sought to understand the views of respondents as to what was the most important attribute for future local government in Suffolk.

A range of channels were used for engagement that sought to balance visibility and inclusivity with value for money and environmental considerations. Methods included large and small face to face meetings, phone calls, drop in opportunities (for example at local events), email correspondence and social media. A 'Three Councils for Suffolk' website was launched that set out more information on the emerging proposals for the district and borough councils' Case for Change.

A total of 2,208 responses were received during the consultation, which, in addition to regular communication with key stakeholders and residents, helped inform the district and boroughs submission to government in September 2025.

In March 2026, the Secretary of State for Housing, Communities and Local Government confirmed that three unitary councils will be created in Suffolk. As work moves towards implementation, we will continue to liaise with councillors, residents, partner organisations and stakeholders to communicate updates and understand local priorities.

Families and Communities Locality Budget Review

The council completed a review of the Families and Communities Locality Budgets approach in May 2025, gaining feedback from ward Councillors, and officers, to ensure the process makes sure monies are spent wisely with the greatest reach and best return.

The review resulted in several changes to the Locality Budget process which were supported by the Portfolio Holder and Cabinet and came into action on 1 June 2025. The changes are as follows: (a) Tightening up criteria and process – putting the Councillor at the heart of the Locality Budget and clarifying areas of confusion. (b) To clarify that the administration of the budgets lies with the Ward Councillor who needs to complete the application form with the community. (c) To bring forward the application deadline to 14 January to ensure time for processing of the budgets and to use any underspend effectively. (d) To increase the carry forward up to £600, only when a clear project has been earmarked for the carry forward. (e) To agree that the uncommitted spend will be moved into the Thriving Community small grant pot.

Review of outside bodies

In September 2025 the council completed a full review of the outside bodies to which councillors are appointed to:

- ensure the outside bodies list is appropriate, up to date and responsibilities for councillors are clearly defined;
- ensure each outside body is relevant and appropriate for the council and there is a right, and process, for reporting back to the council;
- define and understand the correct reporting mechanism(s);
- ensure each outside body has a lead officer assigned to it and that the lead officer understands the role and responsibilities of the appointed councillor on that body (provides the correct steer in terms of briefings, political awareness, conflicts of interest and provides an advisory role);
- ensure the appropriate councillor (ward/Cabinet member/Chair/Leader) is appointed to each body; and

- ensure that any conflicts of interest are reported and noted.

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

Local Plan

The local plan was successfully adopted by the Council in July 2025. The local plan is being applied to development management decisions, and a number of allocated sites are currently being delivered in the district. In October 2025 the council also published a revised 5-year land supply which demonstrates a 6.1 year supply maintaining a plan led approach and minimising the risk of speculative development.

During 2025 to 2026 the government has introduced significant changes to the plan making system with a revised National Planning Policy Framework (NPPF) and new plan making regulations. West Suffolk is required to commence preparation of a new local plan as the adopted local plan housing requirement is less than 80% of the government’s current standard method housing figure. The council is now progressing preparation of a revised local plan in the new system and will publish a new timetable, formal notice of local plan commencement and local plan scoping consultation in June 2026.

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

Procurement Act changes

The Constitution Review Group reviewed the necessary changes to contract procedure rules (CPRs) to ensure that they are compliant with the Procurement Act 2023 and the National Procurement Policy Statement. The revised CPRs were approved at Council in July 2025. The Procurement Policy was updated in August 2025 to reflect the requirements of the Procurement Act 2023 and the National Procurement Policy Statement, and the changes were approved by the Portfolio Holder for Resources.

The Council has been completing further work on transparency notices to ensure compliance with the Procurement Act 2023. In particular the requirement to publish payment performance notice for contracts that are above-threshold. However, following a review of the requirements, in the interest of strengthening transparency it was agreed with the Section 151 officer that the Council would publish the payment performance notice for all supplier payments.

Elections

The Council commenced a Community Governance Review (parish governance arrangements) in December 2025 with any changes to be implemented prior to the parish and town council elections in May 2027. The review is being overseen by a member task and finish group and the outcomes of the review help to ensure that parish and town council arrangements reflect the identity and interest of the community in that area; are effective and convenient for the delivery of services; provide for a strong, inclusive community; and reflect a sense of place.

The Elections Team designed and implemented a process to meet the new requirement for electors to re-apply or refresh their absent voting arrangements every three years. The first absent vote renewal exercise was successfully undertaken in 2025-2026.

Brandon Commission

The council established an Independent Commission on the Future of Brandon in 2025, overseeing the exploration of options to shape Brandon as a place where businesses and communities can thrive. The independent commission, funded by the council and chaired by an experienced economist, concluded in December 2025 and submitted 52 recommendations in response to their findings: Independent Commission on the Future of Brandon: Building a bright and bold future for Brandon and the Brecks. A response to the commission's recommendations was discussed and approved by West Suffolk Cabinet on Tuesday 3 February 2026. This included a series of short-term measures, alongside existing work programmes, that will also support work in the medium and long-term, to position Brandon into the future and create the right conditions for growth.

Performance indicators

A range of key performance indicators are reported monthly to the West Suffolk Council leadership team and on a quarterly basis to Portfolio Holders and the Performance and Audit Scrutiny Committee. As a result of scrutiny of the performance information, further, more in-depth analyses of performance on individual topics are carried out for discussion by officers and members.

This year, a review of the key performance indicators was undertaken to evaluate the current suite of measures and ensure they are providing an accurate reflection of the council's work being delivered by services, are relevant to councillors and correspond with the strategic priorities of the council. That review has now been completed, and a revised suite of indicators will be reported on in the 2026 to 2027 financial year.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Corporate Peer Challenge

West Suffolk Council continues to build on the recommendations outlined in the Corporate Peer Challenge (CPC), which commenced in 2024. On 21 May 2025, a 10-month progress review was held, which focussed on each of the recommendations from the CPC team. The CPC produced a report confirming the progress that had been made and highlighting where West Suffolk has responded positively to the team's recommendations and has made progress in other areas.

Development Management

A targeted demand analysis of Development Management identified opportunities to release capacity within the team and strengthen demand management activities through improved validation and reduced reliance on application extensions. These findings informed a structured action plan aimed at optimising workflow efficiency, improving planning application determination times, and ensuring the service is positioned to meet statutory performance expectations.

Local Government Reorganisation Resource

Following the decision from the Secretary of State for Housing, Communities and Local Government that three unitary councils will be created in Suffolk, the six existing councils have started the preparatory work to support the implementation of local government reorganisation in Suffolk. This includes establishing an implementation programme with thematic workstreams to ensure an orderly transition to the new councils. Some senior West Suffolk Council officers are working with colleagues across Suffolk to support individual workstreams in addition to their 'business as usual' roles. Within West Suffolk Council, a dedicated Programme Management Office (PMO) has been set up, drawn from existing resource, and will provide support until 31 March 2028 (Vesting Day).

F. Managing risks and performance through robust internal control and strong public financial management

Internal Audit

The internal audit team has been working on implementing the new 'Global Internal Audit Standards in the UK Public Sector', and also ensuring that appropriate arrangements are in place to comply with the new CIPFA 'Code of Practice for the Governance of Internal Audit in UK Local Government' which is designed to work alongside the new internal audit standards. Both of these came into force from April 2025.

The new internal audit standards are designed to serve as a basis for evaluating the quality of the internal audit function and to help enable internal audit to strengthen the council's ability to create, protect, and sustain value by providing the Performance and Audit Scrutiny Committee and senior officers with independent, risk-based, and objective assurance, advice, insight and foresight. The internal audit team considers that compliance with these new standards is substantially achieved, and also that we comply with the CIPFA Code of Practice.

Barley Homes Group Limited

In 2025 to 2026, a review of the terms of reference for the Shareholders' Advisory Group in respect of the council's wholly owned company (Barley Homes (Group) Limited) was undertaken and officers were satisfied that no changes were required. All documents filed by the company, can be accessed via Companies House link. The Shareholder Advisory Group (SAG) is the appointed shareholders' representative of the company. It is chaired by the Portfolio Holder for Housing. Other members of SAG are the Leader and the Portfolio Holder for Resources. Also attending the meetings of SAG as observers are the Chair of Overview and Scrutiny Committee and the Chair of Performance and Audit Scrutiny Committee.

An annual review of Barley Homes (Group) Limited and Verse Facilities Management Limited was also taken to the Performance and Audit Scrutiny

Committee in January 2026. This outlined the governance and assurance arrangements that are in place for both companies. The governance and assurance arrangements are consistent and accord with guidance produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) on Local Authority Owned Companies.

We will continue to monitor and embed compliance with new internal audit standards.

G. Implementing good practices in transparency, reporting and audit to deliver effective accountability

Local Code of Corporate Governance

We will continue to monitor and update our Code of Corporate Governance in light of learning from recent council failings in the wider sector and emerging guidance from central Government and the Local Government Association.

External Audit

The external audit of the 2024 to 2025 accounts was signed off on 21st January 2026 which was ahead of the 'backstop date' of 27th February 2026 which had been set by legislation in the Accounts and Audit (Amendment) Regulations 2024. A full audit was completed for 2024 to 2025 but due to the disclaimer of opinion on the 2022 to 2023 accounts and the resultant lack of audit evidence for the opening balances for 2024 to 2025 a qualified opinion for the 2024 to 2025 accounts was issued.

Barley Homes Group Limited

- External auditors undertook a review of the council's wholly owned company, Barley Homes Group Limited, for 2024 to 2025. The audit found that the Company's financial statement provided a true and fair view of its affairs and was in accordance with the requirements of the Companies Act 2006.
- The Barley Homes Shareholders Advisory Group meets quarterly and is made up of councillors, officers and representatives of Barley Homes Group Limited. The committee meets to review performance and agree business plans and budgets.

Conclusions

The review of the effectiveness of the governance framework for 2025 to 2026 concluded that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. Furthermore, having considered all the principles of the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption we are satisfied that the council has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.

Proposed activities - 2026 to 2027

The council has a number of proposed activities relating to governance for 2026 to 2027. This includes:

Principle A	A review of the council's Constitution will be ongoing to ensure it is up to date and continues to be lawful and fit for purpose.
Principle D	The revised suite of performance indicators will be reported on in 2026 to 2027. Changes arising from the Community Governance Review to be implemented prior to the town and council elections in May 2027.
Principle E	Following confirmation from the Secretary of State for Housing, Communities and Local Government that three unitary councils will be created in Suffolk, the six existing councils have started the preparatory work, and will now begin detailed planning on the transition, with further information to be shared once plans are confirmed.
Principle F	We will monitor and embed compliance with the new internal audit standards.

Assurance by Chief Executive and Leader of the Council

We approve this statement and confirm that it forms the basis of the council's governance arrangements and that these arrangements will be monitored and strengthened in the forthcoming year as described above.

Signed:

Councillor Cliff Waterman
Leader of the Council

Date:

Signed:

Ian Gallin
Chief Executive

Date:

Independent auditor’s report to the members of West Suffolk Council

To be inserted at the conclusion of the audit.

Glossary

Accounting Code of Practice
The preparation and control of accounting is regulated, however there is no statutory basis for accounting entries. Instead of a statutory basis, the accounting bodies have agreed an 'Accounting Code of Practice'.

Accounting period
The length of time that is covered by the accounts, the end of the accounting period being the Balance Sheet date. This is normally a period of 12 months commencing on 1 April each year.

Accruals
This is one of the main accounting concepts which ensures that income and expenditure items are shown in the accounts as they are earned or incurred, not as money is received or paid.

Actuarial gains and losses
Changes in the net pension liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions. These changes are reflected in the Pensions Reserve in the Balance Sheet.

Actuarial valuation
A valuation produced by the pension fund's nominated Actuary (see definition below) that measures the fund's ability to meet its long-term liabilities. The Actuary produces an assessment of the likely increase in the value of the pension fund in the future (for example its assets) and the probable payments due out of the fund (its liabilities). The net asset or liability of the fund pertaining to the council is consequently reflected in its Balance Sheet.

Actuary
A business professional who deals with the financial impact of risk and uncertainty. A pension actuary assesses projections of pension fund assets and liabilities based upon an analysis of expected future investment returns, pension fund contributions and liabilities.

Amortised cost
This is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or un-collectability.

Asset
A resource with economic value that an individual, corporation or country owns or controls with the expectation that it will provide future benefit.

Assets held for sale
Assets at the year-end where it is likely that their carrying amount will be recovered principally through a sale transaction rather than through their continuing use.

Asset Ceiling for Pension Asset (Defined Benefit Pension Schemes)
The present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. This recognises that any asset

arising at the date of the balance will most likely lead to a refund to the employer, or reduced contributions for a period of time.

Associate
An entity over which an investor (for instance, a reporting authority) has significant influence.

Balance sheet
A financial statement that summarises the council's assets, liabilities and other balances such as reserves at the end of each accounting period.

Budget
A financial statement that expresses the council's service delivery plans and capital programme in monetary terms.

Business Rate Retention Scheme
A scheme introduced in April 2013 for allocating business rates collected locally between the collecting authority (district council), central government and the county council.

Capital expenditure
Expenditure which results in the acquisition, construction or creation of non-current assets or expenditure which adds to the value of existing non-current assets (over and above maintenance).

Capital financing
This is the overall term used to describe the various sources of money that the council uses to pay for its Capital Expenditure. The sources that West Suffolk uses include direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

Capital receipts
Proceeds from the sale of capital assets. Such income may only be used to repay loan debt or to finance new capital expenditure.

Chartered Institute of Public Finance and Accountancy (CIPFA)
The principal accountancy body dealing with Local Government finance. More details can be found on the CIPFA website https://www.cipfa.org/.

Chief Financial Officer (CFO)
The organisation's most senior executive role charged with leading and directing financial strategy and operations.

Code of Practice on Local Authority Accounting in the United Kingdom
Defines proper accounting practices for Local Authorities in England, Wales, Scotland and Northern Ireland.

Creditors
Amounts owed by the council for which payment has not been made by the end of the financial year.

Contingent liabilities
Where the council has a financial obligation, which at the present time is uncertain.

Debtors
Amounts due to the council which are unpaid at the end of the financial year.

Defined benefit pension scheme
A pension scheme where the council and its employees pay contributions into the fund, calculated at a level which is intended to balance the pension liabilities with its investment assets.

De minimis
A term used to describe the lower limit of a transaction, below which no action is required, for example a purchase which is below the Capital expenditure de minimis limit would not be classified a capital even though it meets the other relevant criteria.

Depreciation
The measure of the wearing out, consumption, or other reduction in the useful economic life of a non-current asset.

Donated asset
An asset transferred to an entity at nil value or acquired at less than fair value.

Employee benefits
All forms of consideration given by an entity in exchange for the service rendered by employees.

External auditor
An officer appointed by Public Sector Audit Appointments Limited (PSAA) to provide an independent audit of the accounts. For the year of account, the council's external auditors were EY.

Exit package
A payment made to an officer on leaving the council's employment. This includes compulsory and voluntary redundancy costs, pension contributions in respect of added years, and any other departure costs that have been agreed.

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

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

Financial timetable
The financial activities of the council are geared to a regular financial timetable which begins in the autumn of each year with the preparation of the current year's review and budgets for the ensuing year, following closure and audit of the Statement of Accounts for the previous year.

Formula grant
The aggregate of Revenue Support Grant (RSG) plus Baseline Funding (redistributed income from Business Rates Retention to reflect need but excluding any locally generated growth). Formula Grant is divided into four blocks:

A needs assessment – Relative Needs Formulae (RNF) – is intended to reflect the relative cost of providing comparable services between different local authorities. It takes account of characteristics such as population and social structure

A resources element – relative resources amount – takes account of the different capacity of different areas to raise income from council tax due to the differing mix of properties. It is a negative amount as it represents assumed income for local authorities

A central allocation which is the same for all local authorities delivering the same services

A floor 'damping block' in order to give every local authority a minimum grant increase. Grant increases to other councils in the same class are scaled back to pay to bring all local authorities up to the appropriate floor increase.

Governance
The arrangements in place to ensure that an organisation fulfils its overall purpose, achieves its intended outcomes for citizens and service users, and operates in an economical, effective, efficient and ethical manner.

Grants and contributions
Assistance in the form of transfers of resources to an authority in return for past or future compliance with certain conditions relating to the operation of activities.

Group accounts
The financial statements of a group in which the assets, liabilities, reserves, income, expenses and cash flows of the parent (reporting authority) and its subsidiaries plus the investments in associates and interests in joint ventures are presented as those of a single economic entity.

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

International Accounting Standard (IAS)
Accounting standards developed by the International Accounting Standards Board that are primarily applicable to general purpose company accounts. These standards are adopted by the CIPFA Code of Practice except where the standards conflict with specific statutory requirements.

International Financial Reporting Standards (IFRS)
Financial reporting standards developed by the International Accounting Standards Board.

Joint Arrangement
An arrangement of which two or more parties have joint control.

Joint Arrangement that is not an entity (JANE)
A contractual arrangement under which the participants engage in joint activities that do not create an entity, because it would not be delivering a service or carrying on a trade or business of its own.

Joint Control
The contractually agreed sharing of control of an arrangement, which exists only

when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint venture
A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Local Authority Scotland Accounts Advisory Committee (LASAAC)
The principal accounting body dealing with Local Government finance in Scotland.

Local Government Reorganisation (LGR)
The English Devolution White Paper (published on 16 December 2024) set out the government's vision for simpler local government structures. On the 5 February 2025, the Deputy Prime Minister provided an update on local government reorganisation and decisions on requests to postpone local elections as well as a list of places that had chosen to join the government's Devolution Priority Programme. At the same time, the Minister of State for Local Government and English Devolution issued a statutory invitation to all councils in 2-tier areas and small neighbouring unitary authorities to develop proposals for unitary local government. These will bring together lower and upper tier local government services in new unitary councils to deliver local government reorganisation.

In March 2026, the Secretary of State for Housing, Communities and Local Government confirmed that they are minded to create three unitary councils in Suffolk. Under the new arrangements, the new councils will come into operation in April 2028, with elections scheduled for 2027 to establish the shadow authorities responsible for shaping and overseeing the transition.

Liability
An obligation of an entity arising from past transactions or events, the settlement of which may result in the transfer or use of assets, provision of services or other yielding of economic benefits in the future.

Long term borrowing
Loans that have been raised to finance capital spending which have still to be repaid.

Materiality
The threshold or level that determines whether or not an item is relevant to the financial statements presenting a true and fair view. An item of information is material to the financial statements of an entity if its misstatement or omission might reasonably be expected to influence the economic decisions of users of the statements.

New Homes Bonus
Funding for councils which was introduced from April 2011 which was designed to be an incentive to promote Housing growth. The government will match fund the additional Council Tax raised for new homes and properties brought back into use, with an additional amount included for affordable homes.

Non-current assets
Assets that yield benefits to the council for a period of more than one year.

Pensions - Retirement benefits
All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment. Retirement Benefits do not include termination benefits payable as a result of:

a. An employer's decision to terminate an employee's employment before the normal retirement date; or
b. An employee's decision to accept redundancy in exchange for those benefits, because these are not given in exchange for services rendered by employees.

Pensions - Scheme liabilities
The liabilities of a defined benefit scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employer is committed to provide for service up to the valuation date.

Revenue expenditure and income
Expenditure and income arising from the day to day operations of the council.

Revenue Support Grant
A grant received from the government to support the day to day running costs of the council. In conjunction with the council's share of retained Business Rates it is also known as formula grant.

Section 106 contributions
Section 106 of the Planning Act 1990 allows a local planning authority to secure an obligation from any person interested in land, with the purpose of (amongst other things) 'requiring a sum or sums to be paid to the authority on a specified date or dates or periodically'. The purpose of these sums is generally to enable the council to mitigate the impact of any developments on the locality, typically on items such as infrastructure and open spaces.

All financial contributions secured by a section 106 agreement are ring fenced, and they are normally to be used within a specific timescale, failing which the developer may be entitled to repayment with interest, depending upon the terms of the particular agreement.

Section 151 Officer
Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs and requires one officer to be nominated to take responsibility for the administration of those affairs. The Section 151 officer is usually the local authority's treasurer and must be a qualified accountant belonging to one of the recognised chartered accountancy bodies. The Section 151 officer has a number of statutory duties, including the duty to report any unlawful financial activity involving the authority (past, present or proposed) or failure to set or keep to a balanced budget. The Section 151 officer also has a number of statutory powers in order to allow this role to be carried out, such as the right to insist that the local authority makes sufficient financial provision for the cost of internal audit.

Senior officer
A senior officer (England and Wales) is an employee whose salary is more than £150,000 per year, or one whose salary is at least £50,000 (England); £60,000 (Wales) per year (to be calculated pro rata for a part-time employee) and who is:

a. the designated head of paid service, a statutory chief officer or a non-statutory chief officer of a relevant body, as defined under the Local Government and Housing Act 1989

b. the head of staff for a relevant body which does not have a designated head of paid service or

c) any person having responsibility for the management of the relevant body, to the extent that the person has power to direct or control the major activities of the body, in particular activities involving the expenditure of money, whether solely or collectively with other persons.

SOLACE (Society of Local Authority Chief Executives)
The representative body for senior strategic managers working in local government, in particular Chief Executives.

Subsidiary
An entity, including an unincorporated entity such as a partnership that is controlled by another entity (known as the parent).

Termination benefits
Employee benefits payable as a result of either:

a. an entity’s decision to terminate employment before the normal employment date, or
b. an employee’s decision to accept voluntary redundancy in exchange for those benefits.

More information

Further information concerning any matter relating to the council can be obtained from the council's website:

www.westsuffolk.gov.uk