Annual Financial Report

London Borough of Camden • 2024/25

Camden

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Camden

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Written Statements and Foreword

Narrative Report

I am pleased to present the Council's 2024/25 Annual Financial Report. This foreword provides a guide to the most significant matters reported in the Council's accounts. Camden's financial statements for 2024/25 have been prepared in accordance with the standard format for local authority accounts as recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) for the Statement of Accounts in 2024/25 as prescribed by the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, which, in turn, is based on International Financial Reporting Standards.

To aid interpretation of the Council's accounts, the foreword provides:

- Introduction to Camden and We Make Camden, which sets out the Council's key priorities
- Overview of the financial context the Council operates in and summary of the Council's Medium-Term Financial Strategy
- Commentary and review of the Council's key achievements during 2024/25
- Summary of financial performance for various elements of the council's financial structure – General Fund, Capital, Housing Revenue Account, Collection Fund and Pension Fund
- Trend in staffing numbers over recent years
- Explanation of the key financial statements

Jon Rowney
Executive Director Corporate Services and Chief Financial Officer

We Make Camden

In Camden, our politics, our people, and our resources are what make us different. In March 2022, we published We Make Camden – our refreshed vision for the future of Camden. It sets out what we want to collectively achieve and lead together, and was developed following conversations with residents, partners and community leaders. We Make Camden is our shared vision for the future of the borough. This sets out a desire where;

We want to make Camden a better borough - By working together, some amazing things have been achieved by people across Camden, and we want to build on this approach to make Camden a better, fairer place. Everyone has the power to make a difference, and even a small action can make a big difference.

In Camden, child poverty is high with two in five children living in poverty after housing costs, and the gap in healthy life expectancy between the poorest and richest parts of the borough is wide – poorer citizens are expected to die almost 13.5 years earlier for men and 9.6 years early for women than those who are better off. We also face challenges with access to jobs, the availability of affordable high quality homes, keeping citizens safe and the impact of the climate emergency.

Camden has one of the most dynamic economies in the UK and is home to global businesses and academic and public institutions that can help us tackle these challenges. A key action for us will be to bring the collective creativity of these organisations together to make sure all citizens can access and take advantage of the wealth and opportunity they bring to the borough.

The mutual trust and relationships we have with our citizens and communities are Camden's most valuable resource. We need to continue to work with partner organisations, citizens, members and our workforce, with the drive and pace needed to make positive change happen.

Camden has adopted a 'Missions' approach to service delivery. **Camden Missions** are the long-term goals for the future of our borough that were developed in collaboration with people across Camden. Camden has identified ten big issues facing the borough, which include four Camden Missions and six Camden Challenges.

The four missions have been created through conversations and collaborative work across the borough, they are;

Diversity: By 2030, those holding positions of power in Camden are as diverse as our community – and the next generation is ready to follow.

Young People: By 2025, every young person has access to economic opportunity that enables them to be safe and secure.

Food: By 2030, everyone eats well every day with nutritious, affordable, sustainable food.

Estates: By 2030, Camden's estates and their neighbourhoods are healthy, sustainable and unlock creativity.

Diversity Mission

In Camden, we take pride in the diversity of our borough. However, we understand that the outcomes for a good life are unequal for the diverse residents of Camden. The inequality is systemic and goes beyond just access to jobs or money. It's also about power. Some people have more say than others, and that's not right. We want to change that.

Our goal is to make sure everyone in Camden has a real opportunity to influence decisions that affect their lives. This means making sure the people in charge of local organisations, including Camden Council, reflect the diversity of our community. We want to see more people from diverse backgrounds taking up leadership roles and participating in decision-making.

The core purpose of the mission focuses on 4 key outcomes:

- Increasing leadership diversity in key institutions
- Opening up power structures and amplifying civic voices
- An education system that prepares young people for leadership
- A local economy that supports entrepreneurial diversity

Ultimately, we want to build a Camden where everyone has a voice and a chance to lead, now and in the future.

Food Mission

The fundamental aim of our food mission is to be a borough where everyone has access to healthy, nutritious, and sustainable food. Where food is grown locally, connects our diverse communities, and nourishes us to lead long, healthy, and happy lives, all while caring for the planet.

We believe that through a strong and dynamic Camden Food Partnership, bringing together residents, businesses and the voluntary sector, we can share knowledge, resources, and innovation to drive local, national, and global food system transformation.

By 2030, we want to make this vision a reality. We want everyone in Camden to eat well every day, with nutritious, affordable, and sustainable food. To do this, we have broken down our mission into the following outcomes:

- Residents are food secure and no longer need to rely on crisis food provision.
- Residents eat a healthy and balanced diet
- Food is a foundation of children's and young people's flourishing lives

Youth Mission

Camden is striving to be a place where every young person, regardless of background, can access opportunities that promote their safety, security, and long-term success.

At the heart of this is a partnership built on the belief that meaningful change requires collective action. This approach goes beyond collaboration—it's about co-production, where young people, businesses, educational institutions, public services, and voluntary sector organisations work together as equal partners across three broad Mission outcomes:

- Camden should be a place where young people can easily find good jobs and training opportunities.
- Young people should have a say in creating opportunities in the borough.
- Camden should have welcoming spaces where young people can get support, find information, or feel inspired.

Our work so far has helped us identify five priority groups with more complex barriers to training, skills and employment:

- Care-experienced young people
- Young people in the Youth Justice System
- Young people with an Educational Health Care Plan
- School non-attenders
- Disabled young people

To address this the mission will remain flexible and responsive, testing and learning through interventions designed to support these priority cohorts to find long-term solutions. One priority for the coming year will be trialling youth-led investment through the Community Wealth Fund, and testing innovative approaches, such belonging residents feel. For example, through our Vacant Spaces programme, we are running a pilot to transform an underused garage in Hilgrove Estate into a community space. We have also worked alongside residents at Denyer House, running a series of engagement projects to identify their priorities and inform improvements to the estate.

The learnings from resident engagement will form the foundation for partnership working for the mission on estates, unlocking wider partnerships and fostering an environment that supports social action within our estates.

More information is available at: **We Make Camden**

Financial Support

The Council Tax Support Scheme plays a crucial role in Camden's response to the ongoing cost-of-living crisis, providing essential financial relief to low-income households. The scheme ensures that council tax remains affordable for vulnerable residents, directly contributing to reduced arrears and supporting household budgets

as the Team Around the School pilot on school attendance and multidisciplinary school teams, to improve attendance and engagement.

Estates Mission

We know that there is a big difference in health between our neighbourhoods, and residents on our estates are particularly likely to have worse health outcomes than others. We want to reduce that gap, so that by 2030, residents on our estates have the same levels of health and wellbeing as others in the borough.

Through our estates mission, we have worked with residents and partners to increase the level of connection and

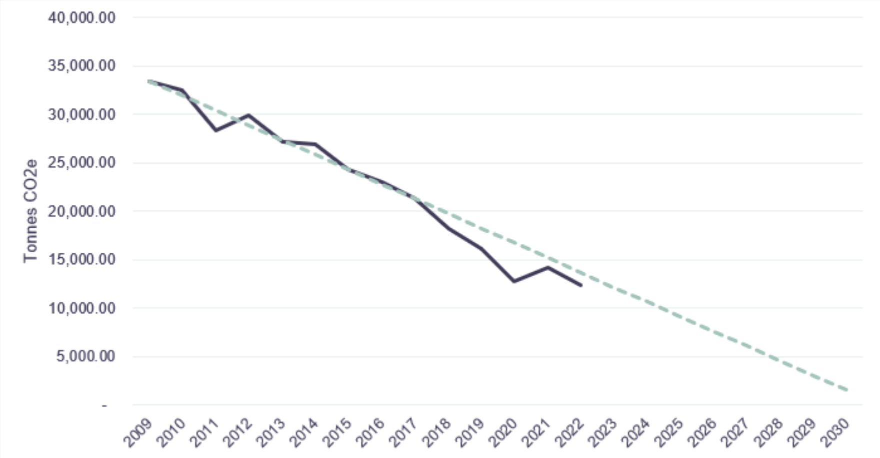
during challenging economic times. Currently, over 22,000 residents benefit from the Council Tax Support Scheme, with around 16,100 of them, including c5,300 pension-age claimants, receiving 100% discounts. These residents are entirely exempt from paying council tax, enabling them to allocate their limited financial resources towards other essential needs. This significant level of support ensures that the scheme remains a vital lifeline for many within Camden's diverse community.

Our £2m cost of living crisis fund continues to support residents and families with essential everyday costs such as energy, food or rent. During 2024/25, the cost of living fund was used to back more than 4,400 crisis fund payments of up to £500 to over 3,000 different households in the borough.

Climate Emergency

Tackling the climate emergency remains a key priority for Camden. This year, we published our second "Climate Budget" describing the Council's investment in improving the energy efficiency of our estate as well as the scale of the financial challenge to fully decarbonise our buildings. Notable projects include full energy efficiency retrofits to Swiss Cottage, Highgate and West Hampstead libraries, funded by secured grants and the Council. We have also trialled new forms of social financing in collaboration with the community energy group Power Up North London, which has seen solar energy systems installed on Regent High and Parliament Hill schools, cutting the schools' energy bills and providing a return on investment to community investors. Across our corporate and schools estate, carbon dioxide emissions are now 64.5% below 2010 levels.

The Chart below shows the planned and actual CO2 reduction across our schools and corporate estate as well as fleet (excluding Council homes).



Financial context

Like the rest of local government and the wider public sector, the Council is currently facing an unprecedented crisis following the lasting impact of the global coronavirus pandemic, high inflation and the Cost of Living crisis that have affected the lives of so many people.

The Covid pandemic, Brexit, the war in Ukraine and other national and international factors have all contributed to the highest inflation rates for over 30 years. Camden, along with other local authorities, is in the frontline of supporting households and businesses through what is now widely acknowledged as a cost-of-living emergency.

Before the challenges from Covid, high inflation and the Cost of Living Crisis, the Council was already addressing the challenge of cumulative annual real term cuts to Government funding, which alongside other spending pressures such as rises in demand for services, a need to address more complex needs across a range of services and an ageing population, have left the council with substantial budget pressures.

Since 2010, austerity has significantly reduced our funding levels while we have seen significant growth in demand for our services, particularly in health, social care and homelessness provisions. As a result, we will have had to make savings of c£220m between 2010 and 2024/25. The cumulative impact of those savings should not be underestimated.

In January 2023, the Cabinet agreed a Medium-Term Financial Strategy (MTFS) that sought to provide the financial framework for the three years from 2023/24 to 2025/26. The programme, developed through an outcome-based budgeted approach, was developed to address a projected deficit of c£40m by 2025/26. The significant inflationary and demographic pressures facing the Council, our MTFS was developed in line with the principles and values set out in We Make Camden and The Way We Work. Opportunities and business cases have been identified and developed across three broad categories:

• Outcome Focused Change – building on our ambitions set out in We Make Camden to focus our resources and investment in areas that are important to our communities and create the most impact on the challenges that face us.

• Creating a Council for the Future – ensuring our services are as resilient and sustainable as possible, and our organisational structures are aligned with our priorities and values.

• Best Value and Best Services – making savings in ways that seek to create the most efficient and effective services for our communities

The Medium Term Finance Strategy (MTFS) is a key element of the Council's work to remain financially resilient and to ensure resources are in place to deliver the outcomes of We Make Camden. 2024/25 was the second year of the current MTFS and the Council continues to work to deliver the agreed savings.

Summary of Financial Performance

General Fund

The General Fund is the main revenue fund from which the Cost of Services is met. It is separate from the Housing Revenue Account, Pension Fund and Collection Fund.

Historically, the Council has managed its General Fund budgets well, and a key element of the Council's financial sustainability has been delivering services within its General Fund budget. 2024/25 has seen significant additional costs across services due to inflationary and demographic pressures, with particularly acute pressures facing children's social care and homelessness services. This has resulted in a significant overspend of £22.8m in 2024/25. The Council has a statutory duty to provide many of these services, and increasing costs and demand pressures have resulted in significant budget overspends in the General Fund. While these pressures are being faced across London and more generally in local authorities across the country, they do represent a challenge to the Council's financial sustainability and resilience. The Council is taking steps to reduce overspends in future years by enacting more cost controls and by increasing contingencies and reserves earmarked to support areas at high risk.

The Council's actual spend compared with its updated budget for 2024/25 is set out below:

	Net Budget £m	Outturn £m	Variance to Budget £m
Directorates:			
Children & Learning	98.1	108.2	10.1
Supporting Communities	95.4	122.8	27.4
Corporate Services	30.1	33.7	3.6
Adults and Health	164.1	164.8	0.7
Cross-Cutting Budgets:			
Government Grant	(88.7)	(89.3)	(0.6)
Pensions	13.0	13.9	0.9
Financing and Interest	(36.8)	(27.5)	9.3
Housing Benefit	0.0	(6.7)	(6.7)
Other Items and Adjustments	6.0	(15.9)	(21.9)
Total	**281.2**	**304.0**	**22.8**

The Council had a net revenue budget of £281.2m in 2024/25 and delivered a final outturn overspend after agreed transfer from reserves of £22.8m.

Camden

Housing Revenue Account

The Housing Revenue Accounts (HRA) is a ring-fenced landlord The Housing Revenue Account (HRA) is a ring-fenced landlord account for the running of the Council's housing stock. The Council is the main provider of social rented accommodation in Camden, with 22,606 units as of 31 March 2025. In 2024/25, average council rents (excluding service charges) were £138.65 per week.

In 2024/25, the HRA had a net deficit of £4.9m, which when taken from existing reserves, this includes a £4m planned contribution to reserves as part of the policy to increase the level of financial stability to the Housing Revenue Account, resulted in £24.8m being carried forward as at 31 March 2025.

The HRA continues to face a challenging position with high inflation and increasing regulatory demands on services. In addition high interest rates are putting pressure on the HRA's debt payments and reducing the Council's ability to borrow to drive regeneration and house building.

Housing services are also facing cost pressures from demand for repairs driven along with fire risk assessment works, the Council's response to damp and mould, and the sector wide growth in disrepair cases.

The Council also sets aside money to help fund capital works across its housing stock each year to fund the replacement or enhancement of elements of the existing stock. Inflationary pressure across building services means it is more expensive to replace elements such as roofs and windows, putting additional pressure on HRA budgets.

The cost pressures that the Council experienced in 2024/25 are likely to remain over the medium term as inflation remains high. The expected inflationary impacts on budgets were factored into the Council's Medium Term Financial Strategy and help to inform the level of savings needed in both the General Fund and the Housing Revenue Account in order to close the expected medium term budget gap.

Capital

The Council has a large capital programme with planned expenditure running through to 2029/30. The programme consists of a number of major initiatives to enhance or replace assets alongside large programmes to deal with backlog maintenance. The funding for the programme comes from a variety of sources, but remains heavily dependent on capital receipts from the sale of fixed assets. Actual capital spend in the year was £256m. The main areas of investment were as follows:

- Property Management spent £154.1m making improvements to the council's existing buildings, a large proportion of the spend relates to the Better Homes programme, fire safety works and making improvements to existing schools.

- Development spent £73.6m on the Community Investment Programme and Estate Regeneration projects, which are helping to provide improved housing and school facilities for residents of Camden. This included funding of £22.5m from external grants and developer contributions used to enhance the investments made across the borough.

- Environment & Sustainability division spent £22.9m helping to improve transportation links across the borough with numerous traffic flow improvement schemes, and major investments for sustainability improvements relating to our energy use, and our public spaces.

The total capital spend of £256m in 2024/25 was financed from a number of sources, including:

- £76.4m from capital receipts
- £18.5m from Section 106, Community Infrastructure Levy and other contributions
- £41.6m from capital grants
- £12m from General Fund prudential borrowing
- £11m from revenue contributions (General Fund)
- £57.2m from HRA reserves; and
- £39.3m from HRA prudential borrowing

Key achievements from our capital investment

Community Investment Programme

The Community Investment Programme (CIP) is an ambitious plan to invest in homes, schools and community facilities in Camden. In a challenging environment the CIP programme has continued delivering new homes and has a strong pipeline to help realise the full ambition of completing 4,850 homes, including 1,800 social rented homes. By the end of 2024 the Community Investment Programme had delivered over 1,700 homes, 70% of which are genuinely affordable, as well as estate improvements and new community facilities.

On the Tybalds Estate, 10 new social rented homes were delivered in the lower ground floor areas of 3 existing blocks, with works completed in April 2024. 6 of the 10 homes are wheelchair accessible, and the scheme delivered new Disability Discrimination Act compliant ramps for 2 blocks. The homes were all let by June, with 4 of them secured by existing residents from the estate.

In June 2024, the third phase of Agar Grove estate redevelopment was completed and delivered 125 homes, 55% of which are affordable, along with new retail space. The Council was able to secure additional grant funding from the Government, increasing the number of affordable homes. The new homes have been recognised by the Evening Standard New Homes Awards 2024, with the scheme winning the Best Low Carbon Home award and being Highly Commended in the Best Flat category.

October 2024 saw the completion of the transformation of a former industrial estate at Liddell Road. The workspace was delivered under a Development Agreement with a private sector developer. Liddell Place provides 3,700 sqm of commercial space, spread across five floors, with 20% of the space being let as affordable workspace. The site is being leased to a specialist workspace provider on a profit-share basis, with the Council retaining the ownership of the building and profits generated reinvested into the Council.

Construction of the Highgate Newtown Community Centre was completed in December 2024 and forms part of the wider mixed-use development. Fit-out works at the centre will take place through 2025. The new state-of-the-art community facility will include a sports hall, a community café and flexible meeting rooms, with a range of services delivered by voluntary sector partners and Council-run services for young people and families.

The second phase of the Central Somers Town masterplan was completed in December 2024 and delivered 34 new social rented homes as well as a tenant hall. The homes, which are new additional social rented homes, will be owned by Camden Living Housing Association, the new Registered Provider part of the Camden Living Group, of which the Council is the sole shareholder.

Works have also continued on a number of sites with residential projects at Abbey Phase 3, Godwin and Crowndale and Agar Grove estate. In 2024 the Council also signed a Development Agreement for Camley Street which will allow the delivery of around 350 new homes, 50% of which are expected to be genuinely affordable, as well as 200,000sq ft of Knowledge Quarter-led commercial space which will create around 1,000 jobs in the light industrial, life sciences, technology, and digital industries.

The variety of projects that CIP has and is delivering demonstrates how the programme has matured over the years. As a well-established part of the Council's Capital programme, CIP is ensuring that the Council continues to deliver much-needed affordable housing.

Collection Fund

The Collection Fund accounts for all transactions on council tax and business rates and the redistribution of some of that money to the Greater London Authority (GLA) and central government.

Local taxation through council tax and business rates are two of the most important sources of General Fund funding besides grants from the government. The impact of the Covid pandemic had a significant impact on the Collection of local taxes with many residents and businesses struggling to meet their tax liabilities due to the economic consequences of the pandemic.

In 2024/25, we collected £179.82m from council tax, with a collection rate of 94.89% by the end of the financial year. In 2024/25, Camden's element of band D council tax was £1,539.17.

The amount of business rates Camden collects is one of the highest in the country. The amount collected by the 31 March 2025 in relation to 2024/25 was £632.63m, with a collection rate of 96.92%. The total amount collectable, less certain reliefs and deductions, is distributed between the Government, Greater London Authority and the Council. Between 2018/19 and 2020/21 Camden participated in a London-wide pilot scheme to pool and retain any growth over and above the business rates baseline across the capital. Given the current level of uncertainty regarding both the valuation of businesses and the tax base for business rates the Leaders Committee of London Councils took the decision to request a pause in the participation in the pilot scheme in 2021/22.

The Collection Fund closing position was £18.43m deficit – made up of £30.187m business rate deficit (to be distributed between Government, GLA and Camden), a £2.6m surplus for Business Rates Supplement and £9.15m council tax surplus.

Pension Fund

The Pension Fund Account reports the contributions received, payments to pensioners and the value of net assets invested in the Local Government Pension Scheme on behalf of Council employees. All employees become contributors on appointment with Camden or a scheduled or admitted body. The Fund's income is derived from employees, contributions from employing authorities and income from investments.

In 2024/25 total contributions paid in were £83.9m, of which

- employers contributed £67.3m, and
- employees contributed £16.6m.

Total Benefits paid out were £76.9m, this comprised of

- £65m monthly pension payments,
- £10.7m of lump sum retirement grants, and

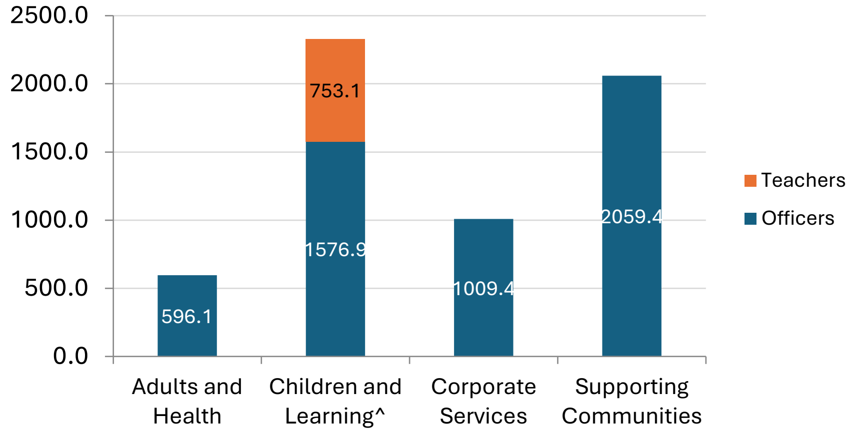
- £1.2m in death grants

The value of Fund assets increased by 2.5% in the 2024/25 financial year to £2.15bn, as set out in the accounts. The Fund is assessed to be 113% funded as at the date of the last actuarial valuation on 31 March 2022. Camden is one of the largest of the London Borough funds in terms of assets, and with 23,580 members, 19 admitted bodies and 6 scheduled bodies.

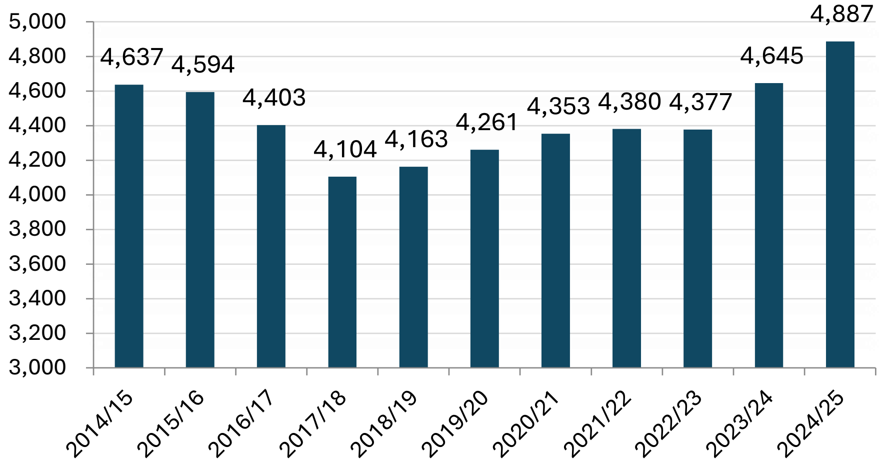
Staffing trends over recent years

The graph below shows Camden's staff numbers in 2024/25 for each directorate, expressed in terms of the number of full-time equivalents in post in each category of employment at 31 March 2025. The figures include staff providing services to housing tenants and include community schools but exclude voluntary aided schools.

In response to the financial pressures facing the Council in 2024/25 additional recruitment controls have been put into place to increase scrutiny on recruitment decisions and control costs.



The graph below shows how Camden staff numbers (excluding teachers and voluntary aided schools' teachers and staff) have changed over recent years. Total staffing has increased by 250 (5%) over the period 2014/15 to 2024/25.



Outlook

The current economic situation, including the cost of living emergency and the impact of inflation on both the Council and on local residents and business is a major risk to the Council's ability to control its costs and collect income from local taxes and fees & charges. Pressures across a number of services, most notably temporary accommodation and childrens social care have put significant pressure on the Council in 2024/25 with a general fund overspend of £22.8m. In response the Council has taken steps to increase in-house provision in both services, investing in temporary accommodation and agreeing capital funding of £11.1m to increase the provision of children's placements in the future. The Council has also increased he contingencies within its revenue budgets for

2025/26 to help mitigate the volatility in demand for and cost of temporary accommodation and children's social care.

Part of the Council's response to the more challenging medium term outlook that the Council is facing is to look to increase the general reserve balances held. In support of the Council's financial resilience Members agreed to increase the Council's general reserve balance by £1m a year over the medium term.

The Council is still facing a level of uncertainty regarding its long-term funding position. The current local government funding system is outdated, with the availability of resources often not matching local need. It is in need of reform to ensure the equitable distribution of resources and to encompass the changing requirements of councils, which have evolved over time.

The Autumn Budget and Local Government Finance Settlement have shaped the Council's budget setting framework for 2025/26, the government has indicated that wider local government reform is due from 2026/27. The government has not yet announced the specifics of these reforms, but they are expected to include the simplification of grant funding streams, an end to competitive bidding and systemic reforms of service areas such as homelessness and adults' and children's social care. This does introduce some uncertainty for the Council. Conversely, however, the move to multi-year settlements will help reduce uncertainty and sharpen the Council's long term financial planning.

The outcome of the local government finance reforms will help shape the Council's future Medum Term Financial Strategies and the Council's ability to deliver the Camden Missions.

Explanation of the key financial statements

The Statement of Accounts presents the Council's income and expenditure for the year, and its financial position at 31 March 2025. It shows the core statement as well as notes to the statements. The format and content of the financial statements is prescribed by the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, which in turn is underpinned by International Financial Reporting Standards.

Movement in Reserves Statement - This Statement, as set out on page 24, shows the movement in the year on the different reserves held by Camden, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and other reserves. The 'Surplus or (deficit) on the provision of services' line shows the true economic cost of providing Camden's services, more details of which are shown in the Comprehensive Income and Expenditure Summary (CIES). These are different from the statutory amounts required to be charged to the General Fund.

Balance and the Housing Revenue Account for council tax setting and dwellings rent setting purposes. The 'Net increase/decrease before transfers to Earmarked Reserves' line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by Camden.
The holding of reserves is a key element of the Council's Financial Strategy and supports the Council's financial resilience.

In 2024/25 there are proposals for a net contribution from reserves of £75.131m. This is made up of contributions from reserves of £41.3m of capital grants and receipts used to fund the capital programme, £22.8m to fund the General Fund overspend and £3.2m to HRA overspend. There have also been a number of planned contributions to and from reserves for a number of service risks and priorities.

In accordance with CIPFA guidance, we have a number of both general balances and earmarked reserves. General balances are held as a wider financial contingency against unexpected financial shocks while the latter are held for several specific purposes. This includes, but is not limited to, the support to the delivery of our key strategic outcomes within We Make Camden, to contribute to our Capital Programme, to mitigate future known financial risks (such as insurance liability or a decline in business rates) and to provide investment and pump prime initiatives that will deliver future financial benefit and longer-term savings as we head into the next round of our three-year savings plan. In managing our reserves over the medium term, we have recognised that they are a one-off resource and not a sustainable solution to the financial challenges that we face over the medium term.

As shown on page 24 of the accounts at the end of the financial year our General Fund general balance stands at £18.36m or roughly 5.9% of our net budgeted expenditure.

This is at the lower end of the acceptable range, but has been increasing as part of the Council's current Medum Term Financial Strategy, but this historic approach has been based on the Council's confidence in our ability to deliver MTFS savings and strong track record of living within our means. The impact of the Cost-of-Living crisis and high inflation along with significant increases in demand for the Council's services, and uncertainty around government funding, means both of those things are now in doubt over the medium term and we will be operating with a substantial reduction in our financial flexibility. This position will need to be closely monitored moving forward to ensure that reserve levels remain at an appropriate level to provide a strong level of resilience and flexibility to respond to any emerging financial shocks.

In support of the Council's financial resilience Members agreed to increase the Council's general reserve balance by £1.5m a year over the medium term. This means that the general reserve balance is forecast to increase to £21.36m by 2027 which is estimated to be 6.5% of net service expenditure. The need to increase general reserve balances to support the Council's financial resilience has been driven by a number of compounding issues:

- As a sector, local government has seen significant cuts to its funding over the past fourteen years. This leads to additional pressure and if the Council doesn't build up resilience this could impact its ability to serve its residents and communities.
- The financial outlook also remains uncertain due to central government agreeing a one-year settlement for 2025/26 and the outcome of local government funding reforms still being unknown.
- The long-term impact of Covid-19, Brexit and the war in Ukraine means the Council remain to experience an unprecedented level of uncertainty over the medium term.

Comprehensive Income and Expenditure Statement - This statement, as set out on page 22, 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.

Balance Sheet - The Balance Sheet, as set out on pages 26-27, shows the value as at the Balance Sheet date of Camden's assets and liabilities. The net assets of the Council (assets less liabilities) are matched by the reserves held by the Authority. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the 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 authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

Cash Flow Statement - The Cash Flow Statement as set out on page 28 shows the changes in cash and cash equivalents of Camden during the reporting period. The statement shows how Camden 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 Camden are funded by way of taxation and grant income or from the recipients of services provided by Camden. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to Camden's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

Independent auditor’s report to the Members of London Borough of Camden

Report on the audit of the financial statements (to be entered on audit completion)

Statement of responsibilities for the Statement of Accounts

The Council's responsibilities

The Council is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers (the Chief Financial Officer) has the responsibility for the administration of those affairs. In this council, that officer is the Executive Director Corporate Services and Chief Financial Officer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- Approve the Statement of Accounts.

The Chief Financial Officer's responsibilities

The Chief Financial Officer is responsible for the preparation of the Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Council Accounting in the United Kingdom ('the Code') and of its pension fund statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

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 Code;
- Kept proper accounting records which were up to date;
- Taken reasonable steps for the prevention and detection of fraud and other irregularities; and
- Maintained such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

I confirm that the Statement of Accounts gives a true and fair view of the financial position of the Authority at 31 March 2024 and of its income and expenditure for the year then ended.

Jon Rowney

Jon Rowney, CPFA
Executive Director Corporate Services and Chief Financial Officer

Committee Approval of Statement of Account

At its meeting on dd mm yy (to be confirmed following audit completion), the Audit and Corporate Governance Committee of the London Borough of Camden approved the Annual Financial Report and authorised the Chair to sign the Statement of Accounts accordingly.

Chair, Audit and Corporate Governance Committee

2.
Primary Financial Statements

Comprehensive Income and Expenditure Statement

The Comprehensive Income and Expenditure Statement (CIES) summarises the income the Council has generated during the year, such as from grants, fees and charges and taxation; the expenditure that the Council has incurred in providing services, and other gains and losses arising from changes in the value of assets and liabilities.

The Cost of Services is split according to the Council's hierarchical departmental structure and service area, with other operating income and expenditure not attributable to departments reported below.

Comprehensive Income and Expenditure Statement

2023/24							2024/25
Gross Expenditure	**Gross Income**	**Net Expenditure**		**Note**	**Gross Expenditure**	**Gross Income**	**Net Expenditure**
£'000	**£'000**	**£'000**			**£'000**	**£'000**	**£'000**
210,189	(64,062)	146,127	Adults and Health		240,510	(74,182)	166,328
204,070	(116,838)	87,232	Children & Learning		235,124	(119,009)	116,115
300,813	(314,274)	(13,461)	Corporate Services		287,945	(325,014)	(37,069)
1,835	(343)	1,492	Chief Executive		1,996	(359)	1,637
295,108	(162,587)	132,521	Supporting Communities		336,075	(180,459)	155,616
252,718	(263,383)	(10,665)	Housing Revenue Account		435,972	(244,870)	191,103
184,084	(187,172)	(3,088)	Dedicated Schools Grant		193,514	(196,927)	(3,413)
1,448,817	**(1,108,659)**	**340,158**	**Cost Of Services**		**1,760,816**	**(1,170,499)**	**590,317**
		(8,102)	Other Operating Expenditure	9			(6,854)
		(47,475)	Financing and Investment Income and Expenditure	10			(10,346)
		(421,813)	Taxation and Non-Specific Grant Income	11			(365,024)
		(137,232)	**(Surplus) or Deficit on Provision of Services**				**208,093**
		(174,138)	(Surplus) or deficit on revaluation of Property, Plant and Equipment				91,118
		229,658	Remeasurements of the net defined benefit liability/asset				(3,257)
		55,520	**Other Comprehensive (Income) and Expenditure**				**87,861**
		(81,712)	**Total Comprehensive (Income) and Expenditure**				**295,954**

Movement in Reserves Statement

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

The surplus or deficit on the provision of services line shows the true economic cost of providing the Council's services, more details of which are shown in the comprehensive income and expenditure statement.

These are different from the statutory amounts required to be charged to the general fund balance and the housing revenue account for council tax setting and dwellings rent setting purposes.

2024/25	General Fund Balance	Housing Revenue Account	Earmarked Reserves	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves	Total Unusable Reserves	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2024 brought forward	**(16,858)**	**(13,387)**	**(225,746)**	**(92,020)**	**(8,214)**	**(20,237)**	**(376,462)**	**(4,137,518)**	**(4,513,981)**
(Surplus)/Deficit on provision of services	42,826	165,264	0	0	0	0	208,090		208,090
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	87,862	87,862
Total Comprehensive Income and Expenditure	**42,826**	**165,264**	**0**	**0**	**0**	**0**	**208,090**	**87,862**	**295,952**
Adjustments between accounting basis & funding under regulations (*Note 7*)	(14,593)	(159,679)	0	27,012	8,214	6,087	(132,959)	132,959	0
Net (increase)/decrease before Transfers to Earmarked Reserves	**28,233**	**5,585**	**0**	**27,012**	**8,214**	**6,087**	**75,131**	**220,821**	**295,952**
Transfer to or from Earmarked reserves	(29,733)	(6,377)	36,110	0	0	0	0	0	0
(Increase)/Decrease in Year	**(1,500)**	**(792)**	**36,110**	**27,012**	**8,214**	**6,087**	**75,131**	**220,821**	**295,952**
Balance at 31 March 2025 carried forward	**(18,358)**	**(14,178)**	**(189,637)**	**(65,008)**	**0**	**(14,150)**	**(301,331)**	**(3,916,699)**	**(4,218,030)**

Movement in Reserves Statement (continued)

2023/24	General Fund Balance	Housing Revenue Account	Earmarked Reserves	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves	Total Unusable Reserves	Total Authority Reserves
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 31 March 2023 brought forward	**(15,858)**	**(12,009)**	**(187,849)**	**(94,802)**	**(3,190)**	**(14,883)**	**(328,591)**	**(4,103,677)**	**(4,432,268)**
(Surplus)/Deficit on provision of services	(37,285)	(99,947)	0	0	0	0	(137,232)	0	(137,232)
Other Comprehensive Income and Expenditure	0	0	0	0	0	0	0	55,520	55,520
Total Comprehensive Income and Expenditure	**(37,285)**	**(99,947)**	**0**	**0**	**0**	**0**	**(137,232)**	**55,520**	**(81,712)**
Adjustments between accounting basis & funding under regulations (*Note 7*)	(8,805)	105,764	0	2,782	(5,024)	(5,354)	89,363	(89,363)	0
Net (increase)/decrease before Transfers to Earmarked Reserves	**(46,090)**	**5,817**	**0**	**2,782**	**(5,024)**	**(5,354)**	**(47,869)**	**(33,843)**	**(81,712)**
Transfer to or from Earmarked reserves	45,090	(7,195)	(37,896)	0	0	0	0	0	0
(Increase)/Decrease in Year	**(1,000)**	**(1,378)**	**(37,896)**	**2,782**	**(5,024)**	**(5,354)**	**(47,869)**	**(33,843)**	**(81,712)**
Balance at 31 March 2024 carried forward	**(16,858)**	**(13,387)**	**(225,746)**	**(92,020)**	**(8,214)**	**(20,237)**	**(376,462)**	**(4,137,518)**	**(4,513,981)**

Balance Sheet

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

		31-Mar-24	31-Mar-25
	Note	**£’000**	**£’000**
Property, Plant & Equipment	12	4,828,595	4,654,521
Heritage Assets	13	882	2,285
Investment Property	14	210,921	213,013
Intangible Assets	15	520	621
Long Term Investments	16	3,932	3,932
Long Term Debtors	16	13,063	7,963
Total Long-Term Assets		**5,057,913**	**4,882,335**
Short Term Investments	16	243,964	130,682
Assets held for sale	19	4,149	18,078
Inventories		410	481
Short Term Debtors	17	143,040	132,237
Cash and Cash Equivalents	18	65,446	79,692
Total Current Assets		**457,009**	**361,170**

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Balance Sheet (continued)

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

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

		31-Mar-24	31-Mar-25
	Note	**£'000**	**£'000**
Short Term Borrowing	16	(23,110)	0
Short Term Creditors	20	(240,237)	(261,650)
Short Term Grants Received in Advance - Capital	34	(59,593)	(54,256)
Short Term Provisions	21	(14,736)	(23,604)
Total Current Liabilities		**(337,676)**	**(339,510)**
Long Term Provisions	21	(14,699)	(12,899)
Long Term Borrowing	16	(294,203)	(294,281)
Other Long Term Liabilities	16	(42,615)	(102,679)
Long Term Grants Receipts in Advance - Capital	34	(84,818)	(80,817)
Net Pensions Liability	41	(226,929)	(195,291)
Total Long-Term Liabilities		**(663,264)**	**(685,967)**
Net Assets		**4,513,981**	**4,218,028**
Usable Reserves	8	(376,462)	(301,330)
Unusable Reserves	22	(4,137,519)	(3,916,698)
Total Reserves		**(4,513,981)**	**(4,218,028)**

Cash Flow Statement

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

The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Council's future service delivery.

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

	Note	2023/24	2024/25
		£'000	**£'000**
Net surplus or (deficit) on the provision of services		137,232	(208,092)
Adjustment to surplus or deficit on the provision of services for non-cash movements	24	(25,817)	388,127
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities		(157,282)	(106,248)
Net Cash flows from operating activities		**(45,867)**	**73,787**
Net Cash flows from Investing Activities	25	25,435	(36,699)
Net Cash flows from Financing Activities	26	(8,805)	(22,842)
Net increase or decrease in cash and cash equivalents		**(29,237)**	**14,246**
Cash and cash equivalents at the beginning of the reporting period		94,683	65,446
Cash and cash equivalents at the end of the reporting period	18	**65,446**	**79,692**

3.
Notes to the Accounts

Notes

Note 1 Accounting Policies

1. Concepts and Principles

1.1. General Principles

The Statement of Accounts summarises the Council's transactions for the 2024/25 financial year and its position at the year ending 31 March 2025. The Statement of Accounts has been prepared in accordance with the Accounts and Audit Regulations 2015. These regulations require the accounts to be prepared in accordance with 'proper accounting practice'. These practices are set out in the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 ('the Code'), based on International Financial Reporting Standards and statutory guidance.

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

1.2. Recognition of Income and Expenditure

In line with the Code, the accruals basis of accounting is used, meaning activity is accounted for in the year that it takes place rather than when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Goods and services are recorded as expenditure when they are consumed rather than purchased.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

1.3. Grants and Contributions

Grants and contributions shall be recognised when there is reasonable assurance that the Council will comply with the conditions attached to them, and that the grants or contributions will be received. If there are outstanding conditions the grants and contributions must be shown as liabilities on the balance sheet until the conditions are met. Once all conditions have been met, grants and contributions must be credited to the Comprehensive Income and Expenditure Statement and cannot be deferred.

1.4. Debtors and Creditors

Both debtors and creditors are recognised and measured at amortised cost.

The Authority recognises an allowance for expected credit losses on debtors, and the amounts of expected credit losses are updated at each reporting date to reflect changes in credit risk since initial recognition of the respective debtor.

1.5. Charges to Revenue for Non-Current Assets

Services are debited with the following charges to record the cost of holding non-current assets during the year:

- 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; and
- Amortisation of intangible fixed assets attributable to the service.

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

1.6. Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. There is no net charge against Council Tax for the expenditure.

The category of unusable reserves includes those reserves which are kept to manage the accounting processes for non-current assets, financial instruments, local taxation, retirement, and employee benefits and do not represent usable resources for the Council. These reserves are explained in the relevant notes.

1.7. Council Tax and National Non-Domestic Rates (NNDR)

Billing authorities act as agents, collecting Council Tax and Non-Domestic Rates (NNDR) on behalf of the major preceptors (including government for NNDR) and, as principals, collecting Council Tax and NNDR for themselves. Billing authorities are required by statute to maintain a separate fund for the collection and distribution of amounts due in respect of Council tax and NDR (i.e. the Collection Fund) and calculate a separate surplus and deficit on each. Under the legislative framework for the Collection Fund, billing authorities, major preceptors and central government share proportionately the risks and rewards that the amount of Council Tax or NNDR could be less or more than predicted.

Accounting for Council Tax and NNDR

The Council Tax and NNDR income included in the Comprehensive Income and Expenditure Statement (CIES) is the Council's share of accrued income for the year. However, regulations determine the amount of Council Tax and NNDR that must be included in the Council'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 Council's share of the end of year balances in respect of Council Tax and NNDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals.

Where debtor balances for the above are identified as impaired because of a likelihood arising from a past event that payments due (fixed or determinable) under the statutory arrangements will not be made, the asset is written down and a charge is made to the Financing and Investment Income and Expenditure line in the CIES. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

1.8. Fair Value Measurement

Where applicable, the Council measures its assets and liabilities and provides disclosures in accordance with IFRS 13 Fair Value Measurement. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

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

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

When measuring the fair value of a non-financial asset, the Council takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy, as follows:

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

1.9. Events After the Balance Sheet Date

These are events that occur between the end of the reporting period and the date when the Financial Statements are authorised for issue. Two types of event can be identified:

- Adjusting events – those which provide evidence of conditions that existed at the end of the reporting period. Where material, the financial statements and notes will be adjusted to include the impact within the figures in the accounts.
- Non-adjusting events – those that are indicative of conditions that arose at the end of the reporting period. The

accounts are not amended but if the event is material a disclosure is made in the notes to the accounts.

1.10. Cash and Cash Equivalents

Cash comprises cash in hand and demand deposits and cash equivalents which are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

1.11. 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 in the current and future years affected by the change therefore 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, or other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting the opening balances and comparative amounts for the previous 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.

2. Non-Current Assets

2.1. Property, Plant & Equipment

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

All expenditure on the acquisition, creation or enhancement of PPE above the Council's de-minimis of £10,000 is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

PPE are initially measured and subsequently valued on the basis required by CIPFA and in accordance with the Statement of Asset Valuation Principles and Guidance Notes issued by the Royal Institution of Chartered Surveyors (RICS). PPE are classified in the groupings required by the Code of Practice.

2.1.1. Measurement after Recognition

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

- Infrastructure, community assets and assets under construction – depreciated historical cost
- Dwellings – current value, determined using the basis of existing use value for

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social housing (existing use value for social housing – EUV-SH)

- All other assets except surplus assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV)
- Surplus assets – fair value, in accordance with IFRS 13

Infrastructure assets include carriageways, footways, cycleways, structures such as bridges, street lighting, street furniture, traffic management systems, electric vehicle charging points and land which form as single integrated network of assets. They are measured at a modified form of historical cost basis. Opening balances for infrastructure assets are measured on a depreciated historical cost basis. The accounting rules that applied before 1 April 1994 mean that the carrying amount only reliably includes expenditure of acquisition and enhancement incurred after this date. Expenditure incurred before this date is only included to the extent that it had not been financed before the end of the 1993/94 financial year.

Under commercial accounting practice, depreciated historical cost would represent the amount of capital expenditure on infrastructure assets that has yet to be financed. For the Council, this is managed instead through the consolidated arrangements for reducing the Capital Financing Requirement through Minimum Revenue Provision.

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value. Where non-property assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Revaluations of PPE are planned on a five-year cycle with a proportion of the asset base being revalued each year. Material changes to asset valuations resulting from works or similar investment outside of the agreed revaluation of assets cycle will be adjusted in the period as they occur.

Right of use assets held as Property, Plant and Equipment are held at depreciated historical cost unless it is deemed that this would be inappropriate as a proxy for the asset's current value, in which case the asset will be held at revaluation and revalued on the same basis as other assets in the same asset class.

2.1.2. Impairment

Impairment reviews on groups of assets are undertaken each year. Impairment is recognised where the asset's carrying value is greater than its net recoverable value in use or through sale, and the loss is specific to the asset, or group of assets. Losses not specific to the assets or group of assets, such as a general fall in the market prices will be treated as revaluation losses.

Impairment losses are recognised against historical cost and revalued net book value. Losses for revalued assets will be recognised against the revaluation reserve to the limit of the credit balance for that asset in the revaluation reserve, and thereafter in surplus or deficit on the provision of services in the CIES. Losses for assets which have not been revalued will be recognised in the surplus or deficit on provision of services in the CIES.

The impairment review includes an annual assessment of whether there is an indication that the recoverable value of any impaired assets has increased, reversing part or all of the impairment.

2.1.3. Depreciation and Amortisation

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

Depreciation is calculated on the following bases:

- Buildings – straight-line allocation over the useful life of the property as estimated by a qualified valuer.
- HRA dwellings are depreciated based on advice of our external valuation firm.
- Vehicles, plant, and equipment – allocation over 10-20 years unless otherwise advised by a responsible qualified officer.
- Information technology assets – allocation over 5 years unless otherwise advised by an appropriate person with knowledge of information technology.
- Infrastructure – straight-line allocation over 15 - 50 years, according to asset type.

Right of use assets held as Property, Plant and Equipment will be depreciated over the shorter of the lease term or the useful economic life.

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

Componentisation will not be applied retrospectively. Where Property, Plant or Equipment has been revalued or there has been significant enhancing expenditure it will be considered for componentisation where:

- The total cost of the component is significant both in terms of gross value and as a percentage of the overall value of the asset
- The pattern of depreciation or overall depreciable life of the component is significantly different to the useful economic life of the main asset.

The Council does not charge depreciation in the year of acquisition of an asset but does charge a full year's depreciation in the year of disposal (i.e. depreciation on opening balances).

Where assets are revalued the accumulated depreciation at the beginning of the year is written down to the revaluations reserve.

Amortisation is the measurement of the cost or revalued amount of the economic benefits of the intangible non-current assets that have been consumed during the financial year.

Consumption includes the wearing out, using up or other reduction in the useful economic life of a non-current asset, whether arising from use, passing of time or obsolescence through either changes in technology or demand for the goods and services produced by the asset.

Infrastructure assets comprise a single network comprised of many components. The Council has determined that infrastructure components are replaced on average, at the end of their useful lives when they are fully depreciated. Therefore, no amounts are deducted from the carrying value of infrastructure for replacement of parts of the network.

Where infrastructure components are derecognised otherwise, the carrying amounts are not charged against Council Tax.

2.2. Lease and Lease Type Transactions

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset for a period of time and the Council will account for these arrangements in accordance with IFRS 16 as interpreted and adapted by the Code of Practice.

2.2.1. Right of Use Assets

Where the Council has deemed that it has a contractual arrangement that qualifies as a lease in which it is the lessee, it will recognise liability for the discounted amount of the future lease payments on the balance sheet matched with a right of use asset on the balance sheet whose cost is deemed to be the amount of the liability.

Arrangements which would otherwise qualify as a lease are exempt from recognition if either:

- The period of time for which the Council has the right to use the asset does not exceed 12 months – referred to as a short-term lease; or
- The value of the right of use asset is lower than the council's capitalisation threshold of £10,000.

Where the rate of interest in a lease arrangement is not explicit or implicit in the lease, the Council will use the Public Works Loans Board (PWLB) annuity rate at the date of the commencement of the lease as the incremental borrowing rate to be applied to the lease arrangement. The PWLB annuity rate may not be applied if it is deemed appropriate to apply an alternative rate given the circumstances of the lease and that to not use that alternative rate would have a significant impact on the Council's accounts.

Lease payments are apportioned between:

- a charge for the acquisition of the right to use the property, plant or equipment which is applied to write down the lease liability, and
- a finance charge (i.e. Interest cost) which is debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Right-of-use assets recognised under leases are accounted for using the policies applied generally to Property, Plant and Equipment assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life. This will include valuation where the cost model does not provide a reliable proxy for the current value of the right-of-use asset, for instance investment property. All investment property held as right of use assets must be held at Fair Value and therefore require annual revaluation.

The Council is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Depreciation and revaluation and impairment losses is a non-cash expense which under accounting rules is reversed from service expenditure to a non-useable reserve known as the Capital Adjustment Account, which absorbs the timing difference between the financing of capital assets and their usage. This therefore does not create an additional financial impact.

Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements.

In the General Fund, the lease liability reduction is matched by a payment of Minimum Revenue Provision (MRP), which when added to the financing cost element of payments leads to no overall impact on the General Fund balance from the prior method of lease accounting.

For the Housing Revenue Account (HRA), MRP is not payable. Depreciation charges to the HRA are required to be matched by a payment to the Major Repairs Reserve (MRR), so the increase in assets will lead to a genuine charge to the HRA. However, the MRR can then be used to pay down the capital financing associated with the lease, which again should mean no meaningful impact on resources.

2.2.2. Lessor Arrangements

Where the Council has a contractual arrangement granting use of asset to another party it will determine whether substantially all the risk and rewards incidental to use of the asset are passed to the lessee or remain with the Council. Where the risks and rewards are substantially transferred, this is known as a finance lease. Where they remain with the Council, this shall be deemed an operating lease.

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 debtor (together with any premia received), and
- Finance income (credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement.

When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

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.

Where the arrangement has been deemed an operating lease, the asset remains on the Council's balance sheet and the income is credited to the Comprehensive Income and Expenditure Statement on a straight-line basis over the duration of the lease.

2.2.3. Service Concession Arrangements

Service concession arrangements (formerly classed as Private Finance Initiative (PFI) and similar contracts) are contractual arrangements between the Council and an operator where responsibility for providing public services, using assets provided either by the operator or the Council, passes to the operator for a specified period of time. These arrangements are accounted for under IFRIC 12, IFRS 16, the Code of Practice and the additional provisions of IPSAS 32 Service Concession arrangements (grantor).

Where the PFI operator's right to third party income is recognised in deductions to the unitary payment, a proportion of the finance lease creditor is re-allocated to a deferred income balance based on the proportion of fixed payments from the Council and expected third party payments. The deferred income balance is amortised to the CIES on a straight-line basis over the life of the PFI scheme.

The Council's ongoing liabilities for these service concessions are recognised on the balance sheet. This has been done by recognising a finance lease creditor and writing it down accordingly. Where indexation is applied to future payments, the liability will be remeasured and adjusted in accordance with IFRS 16.

The assets acquired with these service concessions will be depreciated over the estimated useful life of the assets.

Lifecycle costs will be capitalised in line with the directions of the Code of Practice on capitalising expenditure for these service concessions.

2.3. Investment Properties

Investment properties are properties used solely to earn rentals or capital for appreciation or both. The Council evaluates the costs of an investment property when they are incurred, including acquisition costs and costs incurred to add to, replace part of, or service an investment property, but not including minor repairs and maintenance.
Investment property is initially measured at cost, i.e. purchase price, transaction costs and directly attributable expenditure. After initial recognition the property is measured at fair value, and not depreciated. The fair value of investment property shall reflect

market conditions at the end of the reporting period, i.e. open market value.

2.4. Intangible Assets

Expenditure on non-monetary assets without physical substance is capitalised when future economic benefits or service potential are created and expected to flow from the intangible asset to the Council. Intangible assets shall be measured initially at cost and held at historic cost. They are not revalued in a revaluation cycle.

Amortisation

The depreciable amount of an intangible asset is amortised over its useful life (5 years unless otherwise advised by a qualified professional), on a straight-line basis.

2.5. Revenue Expenditure Funded from Capital under Statute

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

2.6. Income from Sale of Property, Plant and Equipment

Proceeds from the disposal of PPE are capital receipts. Any income which has not been reserved and not been used to finance capital expenditure in the period is shown in the balance sheet as capital receipts unapplied.

The treatment of HRA capital receipts is determined by the Local Government Act 2003 as amended from 1 April 2012 in order to make new provision for the pooling of housing receipts by:

- The Local Authorities (Capital Finance and Accounting) (England)(Amendment)(No.2) Regulations 2012 (SI2012/711); and
- The Local Authorities (Capital Finance and Accounting) (England)(Amendment)(No.3) Regulations 2013 (SI2013/476).

These amendments allow local authorities to retain the receipts generated by Right to Buy sales for replacement housing provided they can sign up to an agreement with the Government that they will limit the use of the net Right to Buy receipts to 40% of the cost of the replacement homes within a 5-year period from the point of receipt.

The written-off value of disposals is not a charge against Council Tax, as the cost of PPE is fully provided for under separate arrangements for capital financing.

Where the authority has sold and leased back an asset it will account for the proceeds in accordance with IFRS 16, reflecting in its accounts only the proportion of the asset sold once the value of the right of use asset created has been taken into account.

2.7. Heritage Assets

Heritage assets are defined as a tangible asset with historical, artistic, scientific, technological, geophysical, or environmental qualities that is held and maintained principally for their contribution to knowledge and culture; or an intangible asset with cultural, environmental, or historical significance. The Council's Heritage Assets which comprise Mayoral Regalia and Silverware and Art Collections are reported in the balance sheet at valuation rather than fair value, reflecting the fact that exchanges of heritage assets are uncommon.

The Council's valuations are based on a current insurance valuation (based on market values) supplemented by auctioneer's valuation where obtained. Revaluations are carried out as and when the insurance is updated.

3. Employee Benefits

3.1. Benefits Payable During Employment

Benefits payable during employment include:

3.1.1. Short-term employee benefits

Those that are due to be settled within 12 months after the year-end in which the employee rendered the services, include:

- wages, salaries, and social security contributions.
- short-term compensated absences
- bonuses and similar payments
- non-monetary benefits

Wages and salaries will be based on actuals, other benefits will be estimated at cost to the Council.

3.1.2. Other long-term employee benefits

Those that do not fall due wholly within 12 months after the end of the period in which the employee rendered the services, include:

- long term compensated absences (long service or sabbatical leave)
- long-service benefits
- long-term disability benefits
- bonuses payable
- deferred compensation paid

All gains and losses and past service costs will be recognised in the Surplus or Deficit on the Provision of Services.

3.2. Termination Benefits

Termination benefits are amounts payable due to a decision made by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits. Termination benefits are charged on an accruals basis to the appropriate service segment or, where applicable, to a corporate service segment at the earlier of when the Council can no longer withdraw the offer of the benefits or when the Council recognises costs for a restructuring. Disclosures in respect of employee exit packages following termination are made in the year of notification, not the year of payment.

3.3. Post-Employment Benefits

Employees of the Council can belong to three separate pension schemes:

- The Teachers' Pension Scheme – administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE). The employer's pension cost charged to the accounts is fixed by the contribution rate set by the DfE on the basis of a notional fund. This is unchanged from last year.

- Ex-ILEA (Inner London Education Authority) – This is a funded scheme administered by the London Pensions Fund Authority (LPFA), part of the Local Government Pension Scheme. The amount paid to LPFA is fixed by the contribution rate set by their actuaries in accordance with the Local Government Pension Scheme.
- Other Employees – Other employees, subject to certain qualifying criteria, are eligible to join the Local Government Pension Scheme. The amounts paid to the Camden Pension Fund are fixed by a rate set by the Council's actuary at the triennial valuation.

All schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council. However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot be identified to the Council. The scheme is therefore accounted for as if it were a defined contributions scheme – no liability for future payments of benefits is recognised in the Balance Sheet and the education service revenue account is charged with the employer's contributions payable to Teachers' Pensions in the year.

3.4. The Local Government Pension Scheme

The Local Government Scheme is accounted for as a defined benefits scheme: the liabilities of the Camden pension scheme attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projections of projected earnings for current employees.

Liabilities are discounted to their value at current prices, using a range of financial assumptions as determined by the actuaries of the Camden Pension Fund and of the LPFA.

The assets of the Camden Pension Fund and the LPFA attributable to the Council are included in the Balance Sheet at their fair value:

- Quoted securities – current bid price
- Unquoted securities – professional estimate
- Unitised securities – current bid price
- Property – market value.

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

a) Service cost, comprising

- Current service cost - the increase in liabilities as a result of years of service earned this year and is allocated in the Comprehensive Income and Expenditure Statement to the revenue accounts of 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. This is debited to the Cost of Services in the Comprehensive Income and Expenditure Statement.
- Net interest on the net defined liability, i.e. net interest expense for the

authority – the change during the period in the net defined benefit liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.

b) Remeasurement

These are changes in the net pensions liability that arise through changes in asset values, updates to actuarial assumptions or other experience not reflected in assumptions at the last actuarial valuation. Any increase in the net liability is debited to the Pensions Reserve and any decrease is credited to the Pensions Reserve.

c) Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) and 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.

4. Financial Instruments

4.1. Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument. These are initially measured at fair value and are carried at their amortised cost, although it is a requirement of the Code of Practice to show the fair values in the Financial Instrument note.

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

4.2. Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. The Council may hold three main classes of financial assets measured at:

- Amortised cost, and
- Fair value through profit or loss (FVPL)
- Fair value through other comprehensive income (FVOCI)

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

4.3. Expected Credit Losses

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

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

5. Provisions and Contingent Liabilities

5.1. Provisions

The Code defines a provision as “a liability of uncertain timing or amount”. A provision can only be established in the accounts if it meets the following criteria as listed in the Code:

- The authority has a present obligation as a result of a past event, i.e. an event has taken place that either binds the authority to transfer economic benefits as a result of legislation, a contract or other operation of law or creates a valid expectation by another party that the authority will transfer economic benefits as a result of it accepting certain responsibilities, arising from the Council’s actions.
- It is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and
- A reliable estimate can be made of the amount of the obligation.

If the above conditions are not met a provision must not be recognised in the financial statements. Provisions are charged to the relevant service account in the Comprehensive Income and Expenditure Statement in the year the Council becomes aware of the obligation. When the obligation is settled the costs are charged to the provision set up 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.

The provisions contained within the balance sheet are spilt between short (Current Liabilities) and long-term provisions (non-current liabilities).

5.2. 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. A contingent liability can also be a present obligation that arises from past events but is not recognised because it is not probable that an outflow of economic benefits or service potential will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

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

5.3. Contingent Assets

A contingent asset is when there is a possible transfer of economic benefit to the Council from past events and their existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

If it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the financial statements of the year in which the change occurs. A material contingent asset should be disclosed in the narrative notes to the accounts if the inflow of economic benefits is probable.

6. Group Accounts

6.1. Interests in Companies and Other Entities

The Council has fully reviewed the various IFRS standards relating to group relationships and after consideration of all the criteria the Council has determined that the consolidation of all related organisations would not have a material effect on the Council's financial position. Consequently, no group accounts have been prepared.

The Code confirms that the balance of control for local authority-maintained schools lies with the local authority. The Code also stipulates that those schools' assets, liabilities, reserves, and cash flows are recognised in the local authority financial statements (and not in Group Accounts). Therefore, schools' transactions, cash flows and balances are recognised in each of the financial statements of the authority as if they were the transactions, cash flows and balances of the authority.

The Council has one wholly owned subsidiary, Camden Living, and owns just under 20% of another company Camden Learning.

Note 2 Accounting Standards Issued but not yet Adopted

Under the Code of Practice on Local Authority Accounting there is a requirement to disclose the impact of accounting standards issued but not yet adopted. At the balance sheet date, the following new standards and amendments to existing standards have been published but not yet adopted by the Code of Practice of Local Authority Accounting in the United Kingdom:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability)
- IFRS 17 Insurance Contracts
- Changes to the measurement of non-investment assets within the 2025/26 Code include adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets.

IAS 16 Property, Plant and Equipment

From April 1st 2025, the Accounting Code will change the arrangements for the valuation of Property, Plant and Equipment.

For 2024/25, there has been a general requirement that assets are revalued sufficiently regularly so that their carrying amount at March 31st 2025, does not differ materially from their current value at that date. This will be replaced by an option to revalue assets every five years, subject to annual reviews for impairment and the updating of carrying amounts by the application of relevant indices.

No adjustments to carrying amounts will be required as at April 1st 2025. As indices for 2025/26 will not be available until after 31 March 2026, it is not possible to project what the impact of indexation will be.

There are no other changes in accounting requirements for 2025/26 that are anticipated to have a material impact on the Council's financial performance or financial position.

Note 3 Critical Judgments in Applying Accounting Policies

Leases

Critical judgment has been applied to the assessment of contracts to determine whether they contain an embedded lease arrangement as the council implements IFRS 16.

Accounting Standard IFRS 16 (Leases) describes five key tests to assess contractual arrangements between an organisation and its suppliers to determine if they contain a lease arrangement. The overriding considerations in these tests are that the party recognising it owns a "right of use asset" if they can show they have access to an identifiable asset that they control and receive substantially all or the majority of economic benefits from.

Where an organisation leases an asset out, the standard identifies eight tests to assess whether the asset leased out should be treated as a finance lease or an operating lease out. This standard advises that accountants must use their professional judgement to assess the substance of the lease.

Leases have therefore been judged in the light of their terms and the effect on the council's ultimate ownership of the assets involved. Further details of the council's leasing arrangements can be found in the Leases Note 37.

Grants and Contributions

The appropriate accounting treatment of Grants and Contributions is a result of critical judgements made about whether any attached terms are deemed as restrictions or conditions and whether any conditions have been met, see Accounting Policy 1.3 Government Grants and Contributions.

If conditions are met, then the income must be shown in the Comprehensive Income and Expenditure Statement. Treatment is the same if there are no conditions or just restrictions. However, if there are conditions and they have not been met they must be shown in the Balance Sheet under Creditors. Details of grants recognised during the year can be found in Note 34.

Investment Properties

The council is required to judge whether or not it is holding property on an investment basis. The Code requires that, for an investment to be present, the property should only be held:

a) for capital appreciation or
b) to produce rental income, and for no other reason e.g. other operational reasons. See Note 14 for details of the council's investment properties

Note 4 Assumptions Made About The Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures 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

Item	Uncertainty	Affect if actual results differ from assumptions
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. The total net liability arising from defined benefit obligations is £195.3m at 31 March 2025 (£226.9m at 31 March 2024). A firm of actuaries has been engaged to provide the Authority with expert advice about the assumptions to be applied for both the: London Borough of Camden Pension Fund, and London Borough of Camden pension element of the London Pension Fund Authority	See note 41 for the details of the Pensions liability.
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. Although the council has a capital programme that is well managed, proactively monitored and reported to management, the current economic climate makes it uncertain that the council will be able to sustain its current spending on repairs and maintenance over the medium term, thus bringing into doubt the useful lives assigned to assets.	The total depreciation charge for PPE and Infrastructure for 2024/25 is £99.9m (£91.2m in 2023/24) on assets with total net book value of £4.7bn. If the useful life of assets is reduced, depreciation increases and the carrying amount of the asset falls. Please note that the margin of error in a change in depreciation due to a change in useful lives is not considered to be material. Furthermore, there are a range of other factors that might also result in a change in the estimate for depreciation such as new acquisitions, enhancements and improvements and revaluation of the assets.

Item	Uncertainty	Affect if actual results differ from assumptions
Grant claims yet to be certified (Housing Benefit)	Over any given year the council receives a number of grants from central government. Most of these grants are awarded based on an agreed amount and are then subject to audit certification. However, Housing Benefit (subsidy) is paid on account, in that an estimate is made at the start of the year of the amount of benefit that will be awarded during the financial year and then the council receives funding in relation to that estimate. At the end of the financial year, the actual amount due is then calculated and an amount is calculated that is owed to the council by government or vice versa.	During 2024/25, the total claim for subsidy was for £136.5m (£141.2m; 2023/24). The subsidy received for the year was £133.1m, and an accrual was made for £3.4m which is the amount due to be paid to Camden Council by Central Government.
Valuation of Land and Buildings	The Council's external valuers provide valuations for a proportion of Land and Buildings each year on a rolling annual basis. The valuations are based on the market conditions prevailing at the valuation date and relevant adjustments made following an Impairment Review.	A reduction in the estimated valuations would result in reductions to the Revaluation Reserve and / or a loss recorded as appropriate in the Comprehensive Income and Expenditure Statement. An increase in estimated valuations would result in increases to the Revaluation Reserve and / or reversals of previous negative revaluations to the Comprehensive Income and Expenditure Statement and / or gains being recorded as appropriate in the Comprehensive Income and Expenditure Statement.
Recognition of Right-of-Use Assets under IFRS 16	IFRS 16 requires the use of the interest rate implicit in the lease, or if not available, the incremental borrowing rate (IBR). Also, lease liabilities are typically based on fixed and variable lease payments, expected inflation adjustments, and any penalties for terminating the lease.	As the interest rate implicit in leases is rarely available, Camden estimates the IBR based on lease term, market rates, and the financial environment—factors that change annually and impact the IBR used. Future lease costs are influenced by inflation and rent reviews, requiring annual reassessment, which affects the valuation of lease liabilities under IFRS 16. Annual changes affect both the lease liability and the historic cost of right-of-use assets. Where assets are revalued, this can also influence revaluation gains and losses. See Note 37 – Leases for more information.

Note 5a Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is funded from resources (government grants, rents, 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.

2023/24				2024/25		
Net Expenditure Chargeable to the General Fund and HRA	**Adjustments Between Funding and Accounting Basis**	**Net Expenditure in the Comprehensive Income and Expenditure Statement**		**Net Expenditure Chargeable to the General Fund and HRA**	**Adjustments Between Funding and Accounting Basis**	**Net Expenditure in the Comprehensive Income and Expenditure Statement**
£'000	**£'000**	**£'000**		**£'000**	**£'000**	**£'000**
148,468	(2,341)	146,127	Adults and Health	164,297	2,030	166,328
82,395	4,837	87,232	Children & Learning	106,872	9,243	116,115
(8,012)	(5,449)	(13,461)	Corporate Services	(36,542)	(527)	(37,069)
1,513	(21)	1,492	Chief Executive	1,653	(16)	1,637
86,127	46,394	132,521	Supporting Communities	105,993	49,623	155,616
(62,017)	51,352	(10,665)	Housing Revenue Account	(65,426)	256,529	191,103
(3,088)	0	(3,088)	Dedicated Schools Grant	(3,413)		(3,413)
245,386	**94,772**	**340,158**	**Net Cost of Services**	273,434	316,882	590,317
(285,658)	**(191,732)**	**(477,390)**	**Other Income and Expenditure**	**(239,613)**	**(142,611)**	**(382,224)**
(40,273)	**(96,960)**	**(137,232)**	**(Surplus) or Deficit**	33,821	174,271	208,093
(215,716)			**Opening General Fund and HRA Balance**	**(255,991)**		
(40,273)			Less/Plus (Surplus) or Deficit on General Fund and HRA Balance in Year	33,821		
(255,989)			**Closing General Fund and HRA Balance at 31 March**	**(222,170)**		

Camden

Note 5b Expenditure and Income analysed by Nature

The Authority income and expenditure is analysed as follows:

2023/24		2024/25
£'000	**Nature of Expenditure or Income**	**£'000**
91,212	Depreciation, amortisation, and impairment	99,909
469,329	Employee benefit expenses	519,752
(8,923)	(Gain) or loss on disposal on non-current assets	(7,446)
30,029	Interest payments and other financing charges	28,030
711,777	Other service expenses	720,033
0	Payments to Housing Capital Receipts Pool	0
820	Precepts and levies	809
16,818	Revaluation	239,097
1,311,062	**Expenditure Total**	**1,600,184**
(422,139)	Fees charges and other service income	(454,825)
(711,036)	Government grants and contributions	(656,026)
(237,594)	Income from council tax and non-domestic rates	(242,864)
(77,504)	Interest and investment income	(38,376)
(21)	Recharges to external Bodies	0
(1,448,294)	**Income Total**	**(1,392,091)**
(137,232)	**(Surplus) or deficit on provision of Services**	**208,093**

Note 5c Expenditure and Funding Analysis Reconciliation (EFA)

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (i.e. government grants, rents, 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 are presented more fully in the Comprehensive Income and Expenditure Statement.

The income and expenditure of the Council's principal services recorded in the budget reports for the year is as follows:

2024/25						
Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes	Net change for the Pensions Adjustments	Other Statutory Differences	Total of Capital, pension and Other Statutory Differences	Other Non-Statutory changes	Total Adjustments
	(Note 1)	**(Note 2)**	**(Note 3)**			
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Adults and Health	3,380	(1,716)	366	2,030	0	2,030
Children & Learning	10,751	(4,461)	2,953	9,243	0	9,243
Corporate Services	6,974	(8,550)	1,049	(527)	0	(527)
Chief Executive	0	(16)	0	(16)	0	(16)
Supporting Communities	51,804	(3,126)	945	49,623	0	49,623
Housing Revenue Account	258,345	(2,595)	779	256,529	0	256,529
Dedicated Schools Grant				0		0
Net Cost of Services	**331,254**	**(20,464)**	**6,092**	**316,882**	**0**	**316,882**
Other income and expenditure from the Expenditure and Funding Analysis	(119,134)	(7,917)	(15,560)	(142,611)	0	(142,611)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	**212,120**	**(28,381)**	**(9,468)**	**174,271**	**0**	**174,271**

2023/24

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes	Net change for the Pensions Adjustments	Other Statutory Differences	Total of Capital, pension and Other Statutory Differences	Other Non-Statutory changes	Total Adjustments
	(Note 1)	**(Note 2)**	**(Note 3)**			
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Adults and Health	413	(2,032)	(722)	(2,341)	0	(2,341)
Children & Learning	10,311	(5,336)	(138)	4,837	0	4,837
Corporate Services	2,499	(7,236)	(712)	(5,449)	0	(5,449)
Chief Executive	0	(21)	0	(21)	0	(21)
Supporting Communities	50,436	(3,992)	(50)	46,394	0	46,394
Housing Revenue Account	51,966	(12)	(602)	51,352	0	51,352
Dedicated Schools Grant	0	0	0	0	0	0
Net Cost of Services	**115,625**	**(18,629)**	**(2,224)**	**94,772**	**0**	**94,772**
Other income and expenditure from the Expenditure and Funding Analysis	(171,635)	(36)	(22,996)	(194,667)	2,935	(191,732)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	**(56,010)**	**(18,665)**	**(25,220)**	**(99,895)**	**2,935**	**(96,960)**

Note 6 Events after the Balance Sheet Date

The Annual Financial Report, incorporating the Statement of Accounts, was authorised for issue by the Executive Director Corporate Services on 30 June 2025. Events taking place after this date are not reflected in the financial statements or notes. Where events have taken place prior to this date about conditions existing as of 31st March 2025, the figures in the financial statements and notes have been adjusted in all material aspects to reflect the impact of this information.

Note 7 Movement in Reserves Statement – adjustments between accounting basis and funding basis under regulation

2024/25	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Movement in Unusable Reserves	Relevant Unusable Reserve
	£'000	£'000	£'000	£'000	£'000	£'000	
Reversal of items debited or credited to the CIES							
Depreciation, Amortisation and Impairments	(53,035)	(46,874)	0	0	0	**99,909**	Capital Adjustment Account
Revaluation gains on property, plant and equipment	(25,916)	(213,181)	0	0	0	**239,097**	Capital Adjustment Account
Movements in the market value of Investment Properties	(2,833)	1,776	0	0	0	**1,057**	Capital Adjustment Account
Revenue expenditure funded from capital under statute	(2,248)	(66)	0	0	0	**2,314**	Capital Adjustment Account
Non-current assets written out on disposal	(14,856)	(27,119)	0	0	0	**41,975**	Capital Adjustment Account
Grant income transferred to Capital Grants Unapplied	2,405	0	0	0	(2,406)	**1**	Capital Adjustment Account
Transfers between revenue and capital resources							
Transfer of sale proceeds from revenue to the Capital Receipts Reserve	8,902	40,654	(49,556)	0	0	**0**	Capital Adjustment Account
Administrative costs of non-current asset disposals	0	(135)	135	0	0	**0**	Capital Adjustment Account
Transfer to/from the major repairs reserve	0	46,782	0	(46,782)	0	**0**	Capital Adjustment Account
Minimum Revenue Provision	8,285	0	0	0	0	**(8,285)**	Capital Adjustment Account
Capital expenditure charged to revenue balances	11,051	0	0	0	0	**(11,051)**	Capital Adjustment Account

Movement in Reserves Statement – adjustments between accounting basis and funding basis under regulation continued

2024/25 Continued	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Movement in Unusable Reserves	Relevant Unusable Reserve
	£'000	£'000	£'000	£'000	£'000	£'000	
Adjustments to capital resources							
Use of Capital Receipts to finance capital expenditure	0	0	76,433	0	0	**(76,433)**	**Capital Adjustment Account**
Use of Major Repairs Reserve to finance capital expenditure	0	0	0	54,996	0	**(54,996)**	
Application of capital grants and other contributions to finance capital expenditure	18,624	35,664	0	0	8,493	**(62,781)**	
Adjustments between accounting and funding basis under regulations							
Statutory adjustments in respect of employers pension contributions	24,782	3,599	0	0	0	**(28,381)**	**Financial Instrument Adjustment Account**
Statutory adjustments in respect of financial instruments	79	0	0	0	0	**(79)**	
Council Tax and NNDR	15,481	0	0	0	0	**(15,481)**	**Collection Fund Adjustment Account**
Holiday Pay	(5,314)	(779)	0	0	0	**6,093**	**Accumulated Absences Account**
Total Adjustments	**(14,593)**	**(159,679)**	**27,012**	**8,214**	**6,087**	**132,959**	

2023/24	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Movement in Unusable Reserves	Relevant Unusable Reserve
	£'000	£'000	£'000	£'000	£'000	£'000	
Reversal of items debited or credited to the CIES							
Depreciation, Amortisation and Impairments	(47,919)	(43,293)	0	0	0	**91,212**	**Capital Adjustment Account**
Revaluation gains on property, plant and equipment	(10,765)	(6,053)	0	0	0	**16,818**	
Movements in the market value of Investment Properties	7,044	26,504	0	0	0	**(33,548)**	
Revenue expenditure funded from capital under statute	(4,976)	(2,620)	0	0	0	**7,596**	
Non-current assets written out on disposal	(10)	(25,561)	0	0	0	**25,571**	
Grant income transferred to Capital Grants Unapplied	10,102	0	0	0	(10,102)	**0**	
Transfers between revenue and capital resources							
Transfer of sale proceeds from revenue to the Capital Receipts Reserve	(527)	36,097	(35,570)	0	0	**0**	**Capital Adjustment Account**
Administrative costs of non-current asset disposals	(123)	(971)	1,094	0	0	**0**	
Transfer to/from the major repairs reserve	0	43,293	0	(43,293)	0	**0**	
Minimum Revenue Provision	6,968	294	0	0	0	**(7,262)**	
Capital expenditure charged to revenue balances	8,285	0	0	0	0	**(8,285)**	

Movement in Reserves Statement – adjustments between accounting basis and funding basis under regulation continued

2023/24 Continued	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Movement in Unusable Reserves	Relevant Unusable Reserve
	£'000	£'000	£'000	£'000	£'000	£'000	
Adjustments to capital resources							
Use of Capital Receipts to finance capital expenditure	0	0	37,258	0	0	(37,258)	**Capital Adjustment Account**
Use of Major Repairs Reserve to finance capital expenditure	0	0	0	38,268	0	(38,268)	
Application of capital grants and other contributions to finance capital expenditure	37,723	73,888	0	0	4,748	(116,359)	
Adjustments between accounting and funding basis under regulations							
Statutory adjustments in respect of employers pension contributions	15,081	3,584	0	0	0	**(18,665)**	**Financial Instrument Adjustment Account**
Statutory adjustments in respect of financial instruments	78	0	0	0	0	**(78)**	
Council Tax and NNDR	(31,388)	0	0	0	0	**31,388**	**Collection Fund Adjustment Account**
Holiday Pay	1,623	602	0	0	0	**(2,225)**	**Accumulated Absences Account**
Total Adjustments	**(8,804)**	**105,764**	**2,782**	**(5,025)**	**(5,354)**	**(89,363)**	

Camden

Note 8 Movement in Reserves Statement – Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the General Fund balance in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2024/25.

	2023/24	2024/25
	£'000	**£'000**
General fund & HRA Reserves		
Earmarked Reserves	(225,746)	(189,637)
General Fund Balance	(16,858)	(18,357)
HRA Balance	(13,387)	(14,178)
Usable Capital reserves	(120,471)	(79,158)
Total General Fund & HRA Reserves	**(376,462)**	**(301,330)**

	Balance at 31 March 2023	Transfers In	Transfers Out	Balance at 31 March 2024	Transfers In	Transfers Out	Balance at 31 March 2025
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
General Reserve Balances							
General Fund Balances	(15,858)	(1,000)	0	(16,858)	(1,499)	0	(18,357)
	(15,858)	**(1,000)**	**0**	**(16,858)**	**(1,499)**	**0**	**(18,357)**
Housing Revenue Account Balance	(12,009)	(3,000)	1,622	(13,387)	(4,005)	3,214	(14,178)
	(12,009)	**(3,000)**	**1,622**	**(13,387)**	**(4,005)**	**3,214**	**(14,178)**

Camden

	Balance at 31 March 2023	Transfers In	Transfers Out	Balance at 31 March 2024	Transfers In	Transfers Out	Balance at 31 March 2025
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Dedicated Schools Grant	**(19,257)**	(3,088)	0	**(22,345)**	(1,470)	4,884	(18,931)
Schools Budgets (delegated)	**(17,501)**	(3,488)	0	**(20,989)**	0	5,784	(15,205)
Multi Year Budget Reserve	**(59,563)**	(19,136)	2,259	**(76,440)**	(16,555)	26,828	(66,167)
Education Commission	**0**	0	0	**0**	0	0	0
Grant for various initiatives	**0**	0	0	**0**	0	0	0
	(96,321)	**(25,712)**	**2,259**	**(119,774)**	**(18,025)**	**37,496**	**(100,303)**
Workforce Remodelling/ Cost of Change	(997)	(1,114)	1,760	**(351)**	(1,556)	254	(1,653)
Camden Plan	(2,354)	(1,046)	361	**(3,039)**	(929)	2,126	(1,842)
	(3,351)	**(2,160)**	**2,121**	**(3,390)**	**(2,485)**	**2,380**	**(3,495)**
Future Capital Schemes	(20,918)	(7,200)	17,067	**(11,051)**	(35,886)	39,753	(7,184)
Commercial and other property	0	0	0	**0**	0	0	0
Haverstock School PFI Reserve	(979)	0	130	**(849)**	(372)	130	(1,091)
Schools PFI Equalisation Reserve	(3,893)	(781)	0	**(4,674)**	(878)	0	(5,552)
Building Schools for the Future	(814)	0	714	**(100)**	0	0	(100)
Accommodation Strategy	(7,725)	(46)	698	**(7,073)**	0	1,459	(5,614)
	(34,329)	**(8,027)**	**18,609**	**(23,747)**	**(37,136)**	**41,342**	**(19,541)**

	Balance at 31 March 2023	Transfers In	Transfers Out	Balance at 31 March 2024	Transfers In	Transfers Out	Balance at 31 March 2025
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Future Cost Reserve HRA	(17,463)	0	7,074	**(10,389)**	0	6,671	(3,718)
HRA EMR DMC	(378)	(133)	66	**(445)**	(227)	173	(499)
HRA EMR Feasibility	(1,375)	0	188	**(1,187)**	0	316	(871)
HRA EMR Cost of Change	(7)	0	0	**(7)**	(350)	253	(104)
HRA EMR Lease Ends	(1,300)	0	0	**(1,300)**	(808)	0	(2,108)
HRA EMR Insurance	(3,000)	0	0	**(3,000)**	0	350	(2,650)
HRA EMR Heating Pool Surplus	0	0	0	**0**	0	0	0
	(23,523)	**(133)**	**7,328**	**(16,328)**	**(1,385)**	**7,763**	**(9,950)**
Self-Insurance Reserve	(3,000)	0	0	**(3,000)**	0	350	**(2,650)**
Business Rates Safety Net Reserve	(10,680)	(40,605)	6,800	**(44,485)**	(6,370)	37,282	(13,573)
BRR Reserve – Collection Fund					(88,547)	49,600	(38,947)
Future Cost Reserve GF	(16,633)	0	1,623	**(15,010)**	0	13,844	(1,166)
	(30,313)	**(40,605)**	**8,423**	**(62,495)**	**(94,917)**	**101,076**	**(56,336)**
Mayor’s Charity Reserve	(12)	0	0	**(12)**	0	0	(12)
	(12)	**0**	**0**	**(12)**	**0**	**0**	**(12)**
Capital Receipts Reserve	(94,802)	(36,741)	39,523	(92,020)	(50,385)	77,397	(65,008)
Capital Grants Unapplied	(14,883)	(10,102)	4,748	(20,237)	(5,358)	11,445	(14,150)
Major Repairs Reserve	(3,190)	(43,293)	38,269	(8,214)	(93,727)	101,942	0
	(112,875)	**(90,136)**	**82,540**	**(120,471)**	**(149,470)**	**190,784**	**(79,158)**

Name of Reserve	Purpose of Reserves
Dedicated Schools Grant	To hold unspent Dedicated Schools Grant which is reserved for the schools budget and which may be carried forward over to future years.
Schools Budgets (delegated)	Reserve budgets held by the council on behalf of its schools.
Multi Year Budget Reserve	To fund allocations in future years as part of multi-year budgeting.
Education Commission	To provide funding to help implement proposals to guide education in the borough.
Grant for various initiatives	To hold various unspent grant monies that do not have conditions on their use.
Workforce Remodelling / Cost of Change	To fund costs that may arise from workforce remodelling and efficiency projects in order to address the budget deficit which has arisen as a result of the reduction in government funding.
Camden Plan	To provide funding to implement projects that support the plan's key priorities.
Future Capital Schemes	To provide funding to support the council's costs associated with various capital schemes.
Commercial and other property	To provide funding to meet the cost associated with dilapidations and other payments in respect of commercial and other property.
Haverstock School PFI Reserve	To hold the balance of funding in respect of the Haverstock School PFI project.
Schools PFI Equalisation Reserve	To equalise costs over the life of the PFI contract so the General Fund does not have to bear the deficit in latter years.
Building Schools for the Future	To provide funding for the preparatory work on the Building Schools for the Future Programme.
Accommodation Strategy	To provide funding to facilitate the Council's accommodation strategy.
Self-Insurance Reserve	To provide funding to cover insurance risks, which keeps insurance costs to a minimum.
Business Rates Safety Net	To provide funding to cover reduction in retained business rates.
Future Costs Reserve GF	To provide funding to deal with future years cost pressures within the General Fund.
Mayors Charity Reserve	To hold donations to the Mayor's Charity.
Future Costs Reserve HRA	To provide funding to deal with future years cost pressures within the Housing Revenue Account (HRA).
Housing Revenue Account Earmarked (EMR) Reserves	To provide funding to support specific activities, depending on the name of the Earmarked Reserve within the ringfenced HRA account for the running of the Council's housing stock.

Note 9 Other operating expenditure

	2023/24	2024/25
	£'000	**£'000**
Levies	820	809
(Gains)/losses on the disposal of non-current assets	(8,905)	(7,446)
Other income	(17)	(217)
Total	**(8,102)**	**(6,854)**

Note 10 Financing and Investment Income and Expenditure

	2023/24	2024/25
	£'000	**£'000**
Interest payable and similar charges	30,065	35,947
Net interest on the defined benefit liability	(36)	(7,917)
Interest receivable and similar income	(38,165)	(32,870)
Income and expenditure in relation to investment properties and changes in their fair value	(39,339)	(5,506)
Total	**(47,475)**	**(10,346)**

Note 11 Taxation and Non-Specific Grant Income

	2023/24	2024/25
	£’000	**£’000**
Council Tax Income (Precept & Prior Year Collection Fund (surplus)/deficit)	(133,073)	(160,590)
Non-Domestic Rates	(104,521)	(82,274)
Non-ring-fenced government grants	(62,507)	(65,468)
Capital grants and contributions	(121,712)	(56,692)
Total	**(421,813)**	**(365,024)**

Note 12 Property, Plant and Equipment

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

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

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

The Council's external valuers, Lambert, Smith and Hampton (LSH) have estimated that impairments are attributable to some of its operational properties in 2024/25 due to structural issues and water damage. Specialists are being engaged to assess defects, actual value of damage to support the council's internal processes around how the work is planned and financed for the coming year.

Property, Plant and Equipment Balances 2024/25

Cost or Valuation – Gross Book Value	Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2024	**3,034,359**	**1,371,075**	**32,887**	**40,306**	**0**	**134,492**	**4,613,119**
Adjusted 1 April Balance on transition to IFRS 16	51,000	8,920	120	0	0	0	60,040
Additions	145,045	16,901	1,483	4,746	14	62,319	230,508
Accumulated depreciation / impairment written off on revaluation to gross book value	(41,093)	(73,623)	0	0	0	0	(114,716)
Revaluation increases/(decreases) recognised in the revaluation reserve	(102,884)	66,443	0	0	0	0	(36,441)
Revaluation increases/(decreases) recognised in the surplus/(deficit) on the provision of services	(227,893)	(18,636)	0	(80)	0	0	(246,609)
Derecognition (disposal)	(5,695)	(16,777)	0	0	0	0	(22,472)
Derecognition (other)	0	0	0	0	0	0	0
Assets reclassified (to)/from Held for Sale	0	(1,570)	0	0	(14)	(44,697)	(46,281)
Assets reclassified (to)/from Investment Property	0	1	0	0	0	0	1
Other movements in cost or valuation	38,776	15,954	0	0	0	(54,730)	0
At 31 March 2025	**2,891,615**	**1,368,688**	**34,490**	**44,972**	**0**	**97,384**	**4,437,149**

Accumulated Depreciation and Impairment	Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2024	**(2,701)**	**(27,097)**	**(17,743)**	**(4,459)**	**0**	**(404)**	**(52,404)**
Depreciation charge	(41,430)	(25,299)	(3,737)	(886)	0	0	(71,352)
Accumulated depreciation written off on revaluation to gross book value	41,093	37,192	0	0	0	0	78,285
Accumulated impairment written off on revaluation to gross book value	0	36,430	0	0	0	0	36,430
Impairment Loss	0	(36,107)	0	0	0	0	(36,107)
Derecognition (disposal)	74	520	0	0	0	0	594
Assets reclassified (to)/from Assets Held for Sale	0	7	0	0	0	0	7
Assets reclassified (to)/from Investment Property	0	0	0	0	0	0	0
Other movements in depreciation or impairment	(14)	14	0	0	0	0	0
At 31 March 2025	**(2,978)**	**(14,340)**	**(21,480)**	**(5,345)**	**0**	**(404)**	**(44,547)**

Net Book Value	Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2024	**3,031,658**	**1,343,978**	**15,144**	**35,847**	**0**	**134,088**	**4,560,715**
At 31 March 2025	**2,888,637**	**1,354,348**	**13,010**	**39,627**	**0**	**96,980**	**4,392,602**

Comparative Balances 2023/24

Cost or Valuation – Gross Book Value	Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2023	**2,842,615**	**1,252,394**	**32,919**	**37,400**	**0**	**187,080**	**4,352,408**
Additions	136,692	8,302	1,341	2,916	1,073	54,841	205,165
Accumulated depreciation / impairment written off on revaluation to gross book value	(36,837)	(10,811)	0	0	0	0	(47,648)
Revaluation increases/(decreases) recognised in the revaluation reserve	114,982	59,218	0	0	0	0	174,200
Revaluation increases/(decreases) recognised in the surplus/(deficit) on the provision of services	3,087	(20,007)	0	0	0	0	(16,920)
Derecognition (disposal)	(7,831)	(1,245)	(1,373)	0	0	0	(10,449)
Derecognition (other)	0	(112)	0	0	0	0	(112)
Assets reclassified (to)/from Held for Sale	(144)	(345)	0	(10)	(1,073)	(884)	(2,456)
Assets reclassified (to)/from Investment Property	0	10,267	0	0	0	(51,335)	(41,068)
Other movements in cost or valuation	(18,205)	73,414	0	0	0	(55,210)	(1)
At 31 March 2024	**3,034,359**	**1,371,075**	**32,887**	**40,306**	**0**	**134,492**	**4,613,119**

Accumulated Depreciation and Impairment	Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	Total
	£000’s	£000’s	£000’s	£000’s	£000’s	£000’s	£000’s
At 1 April 2023	**(1,017)**	**(16,817)**	**(15,409)**	**(3,660)**	**0**	**(2,077)**	**(38,980)**
Depreciation charge	(38,848)	(20,282)	(3,707)	(799)	0	(83)	(63,719)
Accumulated depreciation written off on revaluation to gross book value	36,837	10,647	0	0	0	0	47,484
Accumulated impairment written off on revaluation to gross book value	0	164	0	0	0	0	164
Derecognition (disposal)	123	100	1,373	0	0	0	1,596
Assets reclassified (to)/from Assets Held for Sale	0	0	0	0	0	0	0
Assets reclassified (to)/from Investment Property	0	0	0	0	0	1,051	1,051
Other movements in depreciation or impairment	204	(909)	0	0	0	705	0
At 31 March 2024	**(2,701)**	**(27,097)**	**(17,743)**	**(4,459)**	**0**	**(404)**	**(52,404)**

Net Book Value	Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	Total
	£’000	£’000	£’000	£’000	£’000	£’000	£’000
At 1 April 2023	**2,841,598**	**1,235,577**	**17,510**	**33,740**	**0**	**185,003**	**4,313,428**
At 31 March 2024	**3,031,658**	**1,343,978**	**15,144**	**35,847**	**0**	**134,088**	**4,560,715**

Infrastructure Assets

Modified Historical Cost	2023/24 £'000	2024/25 £'000
Net Book Value at 1 April	**276,164**	**267,880**
Additions	18,819	22,547
Derecognition	0	0
Depreciation	(27,103)	(28,183)
Impairment	0	0
Other Movements in Cost	0	0
Net Book Value at 31 March	**267,880**	**262,244**

The Council does not have any infrastructure assets held under Private Finance Initiative (PFI) or other service concession arrangements.

Total Property, Plant and Equipment

Net Book Value	2023/24 £'000	2024/25 £'000
Infrastructure assets	267,880	262,244
Other PPE assets	4,560,715	4,392,602
Total PPE assets	**4,828,595**	**4,654,846**

Depreciation

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

- Council Dwellings: 50 years
- Other Land and Buildings: 10 - 60 years
- Infrastructure: 15 - 50 years
- Vehicles, Plant and Equipment: 3 - 15 years

Capital Commitments

At 31 March 2025, the Council has entered a number of contracts for the construction or enhancement of property, plant and equipment which will need to be paid in future years. The major commitments amounting to £1m or more are as follows:

Scheme	£'000
Chester Road Hostel Accommodation	13,746
Camden Road Hostel Accommodation	12,574
Abbey Road Estate Redevelopment Phase 3	11,020
Chalcot Estate Fire Safety Works	6,816
Maitland Park Infills Redevelopment	4,178
Godwin Court & Crowndale Redevelopment	3,565
Parliament Hill Secondary School Works	3,062
Town Hall Accommodation Refurbishment	2,779
Talacre Sports Centre Creche	2,511
Acland Burghley Secondary School Works	2,411
Regents Park High Speed 2 Works	2,389
Agar Grove Estate Redevelopment Phase 2	2,093
Edith Neville School Project	1,567
Kings Cross Sport Facility Phase 2 Fit Out	1,529
Brookfield School Zero Carbon Pilot Project	1,320
Rhyl School Works	1,287
Highgate Library Decarbonisation Works	1,263
Hampstead Secondary School Retrofit	1,221
School Autism Spectrum Disorder/Moderate Learning Difficulties Units	1,213
Camley Street Redevelopment	1,158
Total	**77,702**

Revaluations

The Council carries out a rolling programme of valuations that ensures that all property, plant and equipment held under the valuation model rather than historic cost is revalued at least every five years. In 2024/25 valuations were carried by Royal Institution of Chartered Surveyors (RICS) qualified valuers from an external firm, Lamberth Smith Hampton (LSH).

The significant assumptions applied in estimating the valuations are:

- Operational Properties: valuations have been prepared on the basis of existing use value (EUV) in accordance with the RICS standards, unless there is insufficient market evidence in which case depreciated replacement cost (DRC) has been used.

- Non-Operational Properties: valuations have been prepared on the basis of fair value (FV) in accordance with the RICS standards.

- The valuations are based on the market conditions prevailing at the valuation date and relevant adjustments to values have been made following an Impairment Review. No further adjustments have been made for any fall in value, which may have taken place since this date or for the prospects of future growth.

- The valuation of the Council's land and buildings as at 31 March 2025 may have been affected by the Covid-19 pandemic. The outbreak of Covid-19 had a significant impact on property markets and therefore those property, plant and equipment assets valued as at 31 March 2020 and yet to be revalued within the five-year cycle are subject to greater uncertainty. Valuations prior to the pandemic may also be subject to greater uncertainty due to the changes in the market caused subsequently by the pandemic.

- No formal title investigations have been carried out as part of these valuations and it has been assumed that there are no onerous conditions or restrictions, which might adversely affect the valuations. No structural surveys have been undertaken or provided and assumption has been made as to the general condition of the properties. No investigation of contaminated land, use or presence of deleterious materials and construction techniques has been undertaken.

The following table sets out the Council's property, plant and equipment and which year it was last revalued (if not valued at historic cost) to the period ended 31 March 2025.

These values are stated at Gross Book Value (and do not include depreciation). Infrastructure assets are all held at depreciated historic cost and but are not included above in line with the Update to the Code of Practice regarding disclosures on Gross Book Value.

		Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Surplus Assets	Assets Under Construction	Total
Carried at historical cost		6,998	720	34,370	44,599	0	97,383	184,070
Valued at current value as at 31 March	2025	0	27,545	0	0	0	0	27,545
	2024	26,626	61,984	0	0	0	0	88,610
	2023	32,644	87,304	0	116	0	0	120,064
	2022	351	80,396	0	0	0	0	80,747
	2021	2,824,994	1,110,740	120	258	0	0	3,936,112
Total		**2,891,613**	**1,368,689**	**34,490**	**44,973**	**0**	**97,383**	**4,437,148**

Note 13 Heritage Assets

Heritage assets are held at historic cost and are not depreciated. There were no additions, disposals or transfers to or from to the heritage assets portfolio during 2024/25, but the mayoral regalia held by the Council was revalued by external valuers, Hawksworth Valuations Limited.

Movement on Balances 2024/25

Net Book Value	Heritage Buildings	Mayoral Regalia and Silverware	Art Collection	Public Sculptures	Total Heritage Assets
Historic Cost or Valuation	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
1 April 2024	**56**	**382**	**423**	**20**	**881**
Revaluations	0	1,403	0	0	1,403
31 March 2025	**56**	**1,785**	**423**	**20**	**2,284**

Comparative Movement on Balances 2023/24

Net Book Value	Heritage Buildings	Mayoral Regalia and Silverware	Art Collection	Public Sculptures	Total Heritage Assets
Historic Cost or Valuation	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
1 April 2023	**16**	**382**	**423**	**20**	**841**
Revaluations	40	0	0	0	40
31 March 2024	**56**	**382**	**423**	**20**	**881**

Heritage Buildings

The only building that the Council owns that is classed as a heritage asset is the Toll Gate House, Hampstead. This is a Grade II listed building and marks the spot where the road entered the Bishop of London's estate; it has previously won a Civic Trust Award.

More details can be found at: https://historicengland.org.uk/advice/heritage-at-risk/search-register/list-entry/48100.

Art Collection

The Council has an extensive art collection, but only parts of it are on display at any given time. The collection totals around 1,000 pieces and includes various paintings, drawings, prints, sculptures and other art objects. Further information can be found at: https://www.camden.gov.uk/public-art-camden

The collection has come together over many years, mainly from the amalgamation of the collections held by the predecessor councils which formed the London Borough of Camden or from donations. The collection includes a small number of substantial items.

The works were catalogued and valued by Sotheby's in 1986. A further valuation was undertaken by Sotheby's in October 2010 of 18 more valuable pieces, that gave a total valuation of £334,690. In March 2012 Bonham's carried out valuation of the collection which came to £423,499 – the minimum value achievable at auction. This valuation has been applied to the financial accounts. For illustrative purposes, detailed below are those items where their estimated value is over £10,000.

Mayoral Regalia and Silverware

The Council has a substantial collection of mayoral regalia and silverware. This collection has been accumulated from regalia held by the councils that, following the reorganisation of local government in the 1960s, came together to form the London Borough of Camden. This is in addition to other regalia and silverware that the Council has itself accumulated since then.

The regalia and silverware were reviewed and valued in 2024 for insurance purposes; the total valuation was £1.785m. Some of the collection is displayed in the Mayor's Parlour and is used occasionally in the performance of official ceremonies. The rest of the collection is kept in the mayor's vault

Title	Artist	Description of Asset	Value (£)
Yellow Movement	Sir Terry Frost	Oil on board; 1952	100,000
Head of a Greek Sailor	John Caxton	Oil on board; 1946	80,000
Black and While Ochre	Adrian Heath	Oil on canvas; 1951	50,000
Manhole I	Prunella Clough	Oil on board	50,000
Washbowl	John Bratby	Oil on board; 1965	25,000
Still Life with Cucumber	Robert MacBryde	Oil on canvas; 1969	25,000
Abstract	Sandra Blow	Oil on board; 1965	18,000
Composition	Sandra Blow	Oil	15,000

Note 14 Investment Property

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

	2023/24	2024/25
	£'000	**£'000**
Rental income from investment property	(8,199)	(7,881)
Direct operating expenses arising from investment property	2,407	1,317
Net (surplus)/deficit	**(5,792)**	**(6,564)**

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

The following table summarises the movement in fair value of investment properties during 2024/25 and 2023/24 for comparison.

	2023/24	2024/25
	£'000	**£'000**
Balance at 1 April	**136,439**	**210,921**
Opening balance adjustment	0	0
Right of Use asset recognition	0	2,239
Acquisitions	0	0
Enhancements	917	911
Disposals	0	0
Net gains/(losses) from fair value adjustments	17,391	(1,057)
Transfers (to)/from Assets Held for Sale	16,157	0
Transfers (to)/from Property Plant and Equipment	40,017	(1)
Other movements	0	0
Balance at 31 March	**210,921**	**213,013**

Fair Value Measurement

There has been no change in the valuation techniques used by the Council's external Royal Institution of Chartered Surveyors (RICS) qualified valuer, Lambert Smith Hampton, to assess the fair value of the Council's investment properties.

All investment properties have been categorised by the valuer as falling within Level 2 of the fair value hierarchy based on the valuation techniques used, as the measurement techniques use significant observable inputs from active markets such as sales prices and rental incomes for similar properties to determine the fair value measurements. There have been no transfers between levels of the fair value hierarchy.

For more information on valuation techniques, fair value measurement and the fair value hierarchy see Note 1, Accounting Policies.

Note 15 Intangible Assets

Intangible assets are identifiable non-monetary assets without physical form and the only type of intangible asset the Council currently accounts for is software. None of this software has been developed by the Council itself, also known as being 'internally generated'.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. Intangible assets are amortised on a straight-line basis across their useful life.

No individual intangible assets are material to the authority's financial statements and there are no material contractual commitments for the acquisition of intangible assets.

The movement on carrying values for intangible assets are set out as follows with the prior year's values included for comparison.

	2023/24	2024/25
	£’000	**£’000**
Balance at start of year:		
Gross carrying amounts	2,025	1,393
Accumulated amortisation	(1,116)	(873)
Net carrying amount at start of year	**909**	**520**
Amortisation for the period	(389)	(260)
Additions	0	361
Net carrying amount at end of year	**520**	**621**
Balances at end of year:		
Gross carrying amounts	1,393	1,754
Accumulated amortisation	(873)	(1,133)

Note 16 Financial Instruments

	Non-current		Current	
	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25
	£’000	**£’000**	**£’000**	**£’000**
Investments				
Loans and receivables	3,932	3,932	243,964	130,682
Total Investments	**3,932**	**3,932**	**243,964**	**130,682**
Debtors				
Loans and receivables	13,063	7,963	0	0
Financial assets carried at contract amounts	0	0	86,446	47,505
Total Debtors	**13,063**	**7,963**	**86,446**	**47,505**
Borrowing				
Financial liabilities at amortised cost	(294,203)	(294,281)	(23,106)	0
Financial liabilities at fair value through profit and loss	0	0	0	0
Other borrowing	0	0	0	0
Total Borrowing	**(294,203)**	**(294,281)**	**(23,106)**	**0**
Other Long-Term Liabilities				
PFI and finance lease liabilities	(40,422)	(99,866)	(2,325)	(2,240)
Other Long-Term liabilities	(524)	(2,813)	0	0
Total other long-term liabilities	**(40,946)**	**(102,679)**	**(2,325)**	**(2,240)**
Creditors				
Financial liabilities at amortised cost	0	0	0	0
Financial liabilities carried at contract amount	0	0	(137,213)	(28,281)
Total Creditors	**0**	**0**	**(137,213)**	**(28,281)**

Financial Assets

	Non-Current				Current					
	Investments		Debtors		Investments		Debtors		Total	
	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Amortised Cost	3,932	3,932	13,063	7,963	243,964	130,682	86,446	47,505	347,405	190,082
Total financial assets	**3,932**	**3,932**	**13,063**	**7,963**	**243,964**	**130,682**	**86,446**	**47,505**	**347,405**	**190,082**
Non-financial assets	0	0	0	0	0	0	56,594	84,732	56,594	84,732
Total	**3,932**	**3,932**	**13,063**	**7,963**	**243,964**	**130,682**	**143,040**	**132,237**	**403,999**	**274,814**

Financial Liabilities

	Non-Current				Current					
	Borrowings		Creditors		Borrowings		Creditors		Total	
	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Amortised Cost	(294,203)	(294,281)	(40,422)	(99,866)	(23,106)	0	(137,213)	(28,281)	(494,944)	(422,428)
Total financial liabilities	**(294,203)**	**(294,281)**	**(40,422)**	**(99,866)**	**(23,106)**	**0**	**(137,213)**	**(28,281)**	**(494,944)**	**(422,428)**
Non-financial liabilities	0	**0**	**(524)**	**(2,813)**	0	**0**	(103,024)	**(233,369)**	**(103,548)**	**(236,182)**
Total	**(294,203)**	**(294,281)**	**(40,946)**	**(102,679)**	**(23,106)**	**0**	**(240,237)**	**(261,650)**	**(598,492)**	**(658,611)**

Income, Expense, Gains and Losses

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

2024/25	Financial Liabilities measured at amortised cost	Financial Assets: Loans and receivables	Financial Assets: Available-for-sale assets	Assets and Liabilities at Fair value through P&L	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Interest expense	(32,728)	0	0	0	(32,728)
Interest income	0	32,870	0	0	32,870
Gains on derecognition	0	0	0	0	0
Net gain/(loss) for the year	**(32,728)**	**32,870**	**0**	**0**	**142**

Comparative figures for 2023/24

2023/24	Financial Liabilities measured at amortised cost	Financial Assets: Loans and receivables	Financial Assets: Available-for-sale assets	Assets and Liabilities at Fair value through P&L	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Interest expense	(30,065)	0	0	0	(30,065)
Interest income	0	38,165	0	0	38,165
Gains on derecognition	0	0	0	0	
Net gain/(loss) for the year	**(30,065)**	**38,165**	**0**	**0**	**8,100**

Fair Value of Assets and Liabilities

Financial liabilities and financial assets represented by loans and receivables and long-term debtors and creditors are carried in the Balance Sheet at amortised cost.

Fair Values of Financial Assets and Financial Liabilities that are not measured at Fair Value (but for which Fair Value Disclosures are required)

Except for the financial assets carried at fair value, all other financial liabilities and financial assets are represented by loans and receivables and long term debtors and creditors are carried on the balance sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments (Level 2), using the following assumptions:

- For PWLB loans payable, new borrowing rates from the PWLB have been applied to provide the fair value;
- For non-PWLB loans payable, prevailing market rates have been applied to provide the fair value;
- Since the carrying value included in the balance sheet includes accrued interest, this is also included in the fair value calculations;
- No early repayment or impairment is recognised.
- The fair value of trade and other receivables is taken to be the invoiced or billed amount.
- The fair values are calculated as follows:

31-Mar-24				31-Mar-25
Carrying amount	Fair value		Carrying amount	Fair value
£'000	**£'000**		**£'000**	**£'000**
(189,965)	(178,452)	PWLB – maturity	(169,281)	(145,808)
(125,000)	(114,166)	LOBOs	(125,000)	(101,535)
(314,965)	**(292,618)**	**Financial liabilities**	**(294,281)**	**(247,343)**
(40,946)	**(40,946)**	**Long-term creditors**	**(102,679)**	**(102,679)**

The fair value of PWLB loans measures the economic effect of the terms agreed with the PWLB compared with estimates of the terms that would be offered for market transactions undertaken at the Balance Sheet date, which has been assumed to be the PWLB Certainty Rate. The difference between the carrying amount and the fair value measures the additional interest that the authority will pay over the remaining terms of the loans under the agreements with the PWLB, against what would be paid if the loans were at prevailing market rates.

The authority has a continuing ability to borrow at concessionary rates from the PWLB rather than from the markets. However, if the authority were to seek to avoid the projected loss by repaying the loans to the PWLB, the PWLB would raise a penalty charge based on premature repayment rates in addition to charging a premium for the additional interest that will not now be paid.

31-Mar-24* restated			31-Mar-25	
Carrying amount	Fair value		Carrying amount	Fair value
£'000	**£'000**		**£'000**	**£'000**
65,446	65,446	Cash & Cash Equivalents	79,692	79,692
243,964	243,964	Investments	130,682	130,682
309,410	**309,410**	**Financial assets**	**210,375**	**210,375**
13,063	**13,063**	**Long-term debtors**	**7,963**	**7,963**

The fair value of the assets is the same as the carrying amount at the balance sheet date. Short term debtors and creditors are carried at cost as this is a fair approximation of their value. *Figures as at 31-Mar-24 have been restated.

Note 17 Short-Term Debtors

	31-Mar-24	31-Mar-25
	£'000	**£'000**
Government and Public Bodies		
Central Government Bodies	18,830	27,456
Other Local Authorities	10,314	6,579
NHS Bodies	18,603	20,922
Government and Public Bodies Total	**47,747**	**54,957**
Other Entities and Individuals		
Rent Arrears	24,782	25,030
Council Taxpayers	27,227	26,654
NNDR Debtors	10,353	9,430
Other Entities and Individuals	103,380	87,255
Less Impairment Allowance	(77,137)	(77,000)
Other Entities and Individuals Total	**88,605**	**71,369**
Total Debtors	**136,352**	**126,326**
Payments in Advance	6,688	5,911
Total Short-Term Debtors	**143,040**	**132,237**

Council Tax Debtor				Aged Debtor Analysis
	2024/25	**2023/24**	**2022/23 & Earlier**	**Total**
	£'000	£'000	£'000	£'000
Camden Share of Council Tax Debtor	8,206	5,435	13,013	**26,654**
Council Taxpayers Impairement allowance	(4,526)	(3,305)	(11,457)	(19,288)
Council taxpayers debtors net of impairment allowance	**3,680**	**2,130**	**1,556**	**7,366**

NNDR Debtor				Aged Debtor Analysis
	2024/25	**2023/24**	**2022/23 & Earlier**	**Total**
NNDR Debtor	3,256	1,761	4,413	**9,430**
NNDR Impairment Allowance	(733)	(996)	(4,160)	**(5,890)**
NNDR Debtos net of impairment allowance	**2,523**	**765**	**253**	**(3,541)**

Note 18 Cash & Cash Equivalents

	31-Mar-24	31-Mar-25
	£'000	**£'000**
Cash held by the authority	19	19
Bank current accounts	19,753	24,566
Money Market Funds	45,674	55,108
Total cash and cash equivalents	**65,446**	**79,692**

Note 19 Assets Held for Sale

The authority's assets held for sale are all held as current assets on the basis they are all expected to be sold within 12 months from classification of being held for sale.

	31-Mar-24	31-Mar-25
	£'000	**£'000**
Balance outstanding at start of year	18,300	4,149
Newly classified / acquired	18,612	46,273
Revaluation gains/(losses)	0	(12,249)
Impairment losses	0	0
Declassified to investment properties	(16,157)	0
Assets sold	(16,606)	(20,095)
Other movements	0	0
Balance outstanding at year end	**4,149**	**18,078**

Note 20 Creditors

	31-Mar-24	31-Mar-25
	£'000	**£'000**
Central Government Bodies	(72,484)	(44,953)
Other Local Authorities	(15,358)	(54,419)
NHS Bodies	(2,977)	(2,900)
Other Entities and Individuals	(149,417)	(159,378)
Total Creditors	**(240,236)**	**(261,650)**

Note 21 Provisions

	Short Term Provision			Long Term Provision		
	Legal claims	**Business Rates Appeals**	**Short-Term Provisions Total**	**Self-Insurance**	**Utilities**	**Long-Term Provisions Total**
Explanation:	(1)	(2)		(3)	(4)	
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Opening Balance 1 April 2024	2,240	12,496	**14,736**	10,999	3,700	**14,699**
Additional provisions made in 2024/25	2,581	20,600	**23,181**	(1,800)	0	**(1,800)**
	4,821	33,096	**37,917**	9,199	3,700	**12,899**
Amounts used in 2024/25	(2,238)	(12,076)	**(14,314)**	0	0	**0**
Unused amounts reversed in 2024/25	0	0	**0**	0	0	**0**
Balance at 31 March 2025	**2,583**	**21,020**	**23,603**	**9,199**	**3,700**	**12,899**

(1) Legal Claims

Provision has been made for settlement of claims relating to repair costs on two property sites. In addition, a provision has been made for settlements resulting from HRA repairs.

(2) Business Rate Appeals

Provision has been made to meet the estimated costs repayable to ratepayers as a result of reductions in total rateable values following deletions or successful appeals against valuation.

(3) Self-Insurance

Since 1993, the Council has been self-insuring various property, public liabilities and motor losses, with the current level of self-insurance at £0.5m for property & liability claims, £1M for tree root related subsidence claims and £0.1M for motor claims. Annual aggregate limits (maximum claim values funded by the council) are £1.65m, £5.0m, and £0.375m respectively.

Contributions in the form of internal premia charged to services, schools and the HRA are made to the provision. These cover the cost of external premia to insurers and an estimate of the annual amount for internally insuring. The balance of the provision, shown as at the 31 March 2025, represents an estimate of the Council's insurance fund exposure to risks on reported claims.

Since January 2010 the council has added tree root liability cover to its main liability insurance programme with an excess of £1.0m; prior to this the Council self-insured. Claims within the excess continue to be funded via the Council's insurance provision.

(4) Utilities

A provision has been made to meet the estimated costs of reclaims against historical Thames Water utility charges.

Note 22 Unusable Reserves

Unusable Reserves Summary

	2023/24	2024/25
	£'000	**£'000**
Revaluation reserve	(794,999)	(678,965)
Capital adjustment account	(3,595,164)	(3,449,272)
Financial instruments adjustment account	4,386	4,307
Pensions reserve	226,930	195,292
Accumulated absences reserve	3,405	9,497
Collection fund adjustment account	17,923	2,442
Total Unusable Reserves	**(4,137,519)**	**(3,916,698)**

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority 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 Revaluation 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.

	2023/24	2024/25
	£'000	**£'000**
Balance at 1st April	**(630,784)**	**(794,999)**
Opening Balance Adjustment		
Upward revaluation of assets recognised in the Revaluation Reserve	(203,536)	(124,562)
Downward revaluation of assets and impairment losses charged to the Revaluation Reserve	29,397	215,681
Surplus or deficit on revaluation of on-current assets posted to the Revaluation Reserve	**(174,138)**	**91,119**
Difference between fair value depreciation and historical cost depreciation	7,626	10,738
Accumulated gains on assets sold or scrapped	1,627	14,177
Adjustments arising due to transfers between asset classes	671	0
Amount written off to the capital adjustment account	9,924	24,915
Closing Balance	**(794,999)**	**(678,965)**

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 Authority 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 are yet to be consumed by the Authority. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 7 provide detail of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

	2023/24	2024/25
	£'000	**£'000**
Balance at 1st April	**(3,485,457)**	**(3,595,164)**
Reversal of items relating to capital expenditure debited or credited to the comprehensive income and expenditure statement:		
Depreciation, Amortisation, and Impairments	91,212	99,909
Revaluation gains on property, plant, and equipment	16,818	239,097
Revenue expenditure funded from capital under statute	7,596	2,314
Non-current assets written out on disposal	25,571	41,974
Movements in the market value of Investment Properties	(33,548)	1,057
Adjusting amounts written out of the revaluation reserve	(9,924)	(24,915)
Net written out amount of the cost of non-current assets consumed in the year	**97,725**	**359,436**
Capital financing applied in the year:		
Use of Capital Receipts to finance capital expenditure	(37,258)	(76,432)
Use of Major Repairs Reserve to finance capital expenditure	(38,268)	(54,996)
Application of capital grants and other contributions to finance capital expenditure	(116,359)	(62,780)
Minimum Revenue Provision	(7,262)	(8,285)
Capital expenditure charged to revenue balances	(8,285)	(11,051)
Total Capital financing in year	**(207,432)**	**(213,544)**
Closing Balance	**(3,595,164)**	**(3,449,272)**

Financial Instruments Adjustment Account

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

	2023/24	2024/25
	£'000	**£'000**
Balance at 1st April	**4,464**	**4,386**
Opening Balance Adjustment		
Amount by which finance costs charged to the comprehensive income and expenditure statement are different from finance costs chargeable in the year in accordance with statutory requirements	(78)	(79)
Closing Balance	4,386	4,307

Accumulated Absences Reserve

The Accumulated Absences Reserve absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	2023/24	2024/25
	£'000	**£'000**
Balance at 1st April	**5,629**	**3,405**
Opening Balance Adjustment		
Settlement or cancellation of accrual made at the end of the preceding year	(5,629)	(3,405)
Amounts accrued at the end of the current year	3,405	9,497
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	(2,224)	6,092
Closing Balance	**3,405**	**9,497**

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 Authority 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 Authority makes employer's contributions to pension's funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	2023/24	2024/25
	£'000	**£'000**
Balance at 1st April	**15,937**	**226,930**
Opening Balance Adjustment		
Remeasurement of the defined benefit liability	(132,196)	(307,877)
Impact of asset ceiling	361,854	304,620
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	46,561	38,778
Employer's pensions contributions and direct payments to pensioners payable in the year	(65,226)	(67,159)
Closing Balance	**226,930**	**195,292**

Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax income and non-domestic rates income in the Comprehensive Income and Expenditure Statement compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

	2023/24	2024/25
	£’000	**£’000**
Balance at 1st April	**(13,465)**	**17,923**
Opening Balance Adjustment		
Amount by which council tax and non-domestic rates income credited to the comprehensive income and expenditure statement is different from council tax income calculated for the year in accordance with statutory requirements	31,388	(15,481)
Closing Balance	**17,923**	**2,442**

Note 23 Cash Flows from Operating Activities

	2023/24	2024/25
	£'000	**£'000**
Interest received	38,165	32,870
Interest paid	(30,065)	(35,947)
Dividends received	0	0

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

	2023/24	2024/25
	£'000	**£'000**
Depreciation, Amortisation and impairment	91,212	99,909
Revaluations	(16,730)	240,154
Increase/(decrease) in impairment for bad debts	1,536	(137)
Increase/(decrease) in creditors	(97,306)	15,718
Increase/(decrease) in debtors	(11,228)	9,866
(Increase)/decrease in inventories	30	(71)
Movement in pension liability	(18,665)	(28,381)
Increase/(decrease) in provisions	(7,009)	7,068
Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	25,571	41,974
Other non-cash items charged to the net surplus or deficit on the provision of services	6,772	2,027
	(25,817)	**388,127**

Note 24 Cash Flows from Investing Activities

	2023/24	2024/25
	£'000	**£'000**
Purchase of property, plant and equipment, investment property and intangible assets	(230,572)	(256,229)
Purchase of short-term and long-term investments	(791,004)	0
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	35,570	49,556
Proceeds from short-term and long-term investments	869,929	113,282
Other receipts from investing activities	141,512	56,692
Net cash flows from investing activities	**25,435**	**(36,699)**

Note 25 Cash Flows from Financing Activities

	2023/24	2024/25
	£'000	**£'000**
Cash receipts of short-term and long-term borrowings	34,385	0
Other receipts from financing activities		
Cash payments for the reduction of outstanding liabilities relating to finance leases and on-Balance-Sheet PFI contracts	(261)	(2,311)
Repayments of short-term and long-term borrowing	(42,929)	(20,531)
Other payments for financing activities		
Net cash flows from financing activities	**(8,805)**	**(22,842)**

Note 26 Reconciliation of Financial Liabilities from Financing Activities

	31-Mar-24	Financing Cash Flows	Other non-cash changes	31-Mar-25
	£’000	**£’000**	**£’000**	**£’000**
Long-term borrowings	(294,203)	(78)	0	(294,281)
Short term borrowings	(23,106)	23,106	0	0
Long Term Lease & PFI liabilities	(40,946)	2,311	(64,045)	(102,680)
Net cash flows from investing activities	**(358,255)**	**25,339**	**(64,045)**	**(396,961)**

Comparator figures for previous year

	31-Mar-24	Financing Cash Flows	Other non-cash changes	31-Mar-25
	£’000	£’000	£’000	£’000
Long-term borrowings	(314,965)	78	20,684	(294,203)
Short term borrowings	(10,892)	8,470	(20,684)	(23,106)
Long Term Lease & PFI liabilities	(47,543)	6,597	0	(40,946)
Net cash flows from investing activities	**(373,400)**	**15,145**	**0**	**(358,255)**

Note 27 Agency Services

The Council provides agency services such as payroll on behalf of the North London Waste Authority, Camden Living and Camden Learning. These disclosures are made as part of Note 35 Related Parties.

No further material income has been derived or expenditure incurred in respect of providing agency services.

Note 28 Pooled Budgets

Better Care Fund (BCF) is the result of a s75 agreement between the Council and North Central London Integrated Commissioning Board (NCL ICB) to enable further integrated working between the Authority and the NHS. Under the 2024/25 s75 pooled budget agreement, the Council contributed £1.299m from the disabled facilities grant (DFG), £4.157m of discharge fund this consisted of direct allocation to Local Authorities for which Camden received £3.008m and a share of the ICB discharge fund of £1.149m and £12.874m revenue funds via the IBCF Grant.

The NCL ICB agreed to make a revenue contribution of a maximum of £29.883m, which includes an additional £5m held for district nurses on behalf of the ICB.

The pooled budget agreement stipulates arrangement for the management of surpluses and deficits in the pool.

The Council has an agreement with Camden and Islington Mental Health Foundation Trust (CIFT) where the Council has delegated a budget to CIFT for the provision and management of some mental health services. CIFT is jointly funded by the Authority, Camden ICB, Islington ICB and Islington Council. This is not a formal pooled budget agreement

Contributions to the Pool:

	2023/24	2024/25
	£000	**£000**
- The Authority	(15,075)	(17,181)
-NCL Clinical Commissioning Group	(29,700)	(31,230)
	(44,775)	**(48,411)**
Expenditure to be met from the pool:		
- The Authority	27,256	28,251
-NCL Clinical Commissioning Group	12,681	15,016
	39,936	**43,267**
Net (Surplus)/Deficit arising on the pooled budget in year	**(4,839)**	**(5,144)**
Authority share of the (surplus) / deficit arising on the pooled budget	(82)	(160)
NCL CCG share of the (surplus) / deficit arising on the pooled budget	(4,757)	(4,983)

Note 29 Members' Allowances

During 2024/25, allowances were paid to Members of the authority (councillors and independent committee members) as follows:

	2023/24	2024/25
	£'000	**£'000**
Allowances	1,207	1,312
Expenses	19	4
Total	**1,226**	**1,316**

Payments were made to Members in accordance with the Members' Allowances Scheme for the same financial year.

Details of the Members' Allowances Scheme and of payments made to individual councillors in accordance with the Scheme can be found at: https://www.camden.gov.uk/councillors-allowances.

Note 30 Officers' Remuneration

2024/25

Job Title [A]	Salary, fees and allowances	Variable pay	Expenses allowances	Loss of office payment	Employer's pension contributions	Total
	£	£	£	£	£	£
Chief Executive (Jenny Rowlands)	232,227	11,170	-	-	51,207	294,604
Executive Director Corporate Services (Jon Rowney)	187,376	8,873	-	-	41,549	237,798
Executive Director Supporting Communities (Gillian Marston)	188,158	8,873	-	-	39,556	236,587
Executive Director Children & Learning (Tim Aldridge)	181,790	3,119	-	-	37,352	222,261
Executive Director Adults & Health (Jess Mcgregor)	165,141	7,180	-	-	34,167	206,488
Director of Economy, Regeneration and Investment (David Burns)	150,626	6,668	-	-	31,773	189,067
Borough Solicitor (Andrew Maughan)	154,218	-	-	-	32,856	187,075
Chief Experience and Information Officer (Tariq Khan)	150,844	-	-	-	30,426	181,270
Director of People & Inclusion	130,283	6,224	-	-	27,574	164,081
Director of Public Health	138,018	3,986	-	-	19,847	161,851

[A] Officers whose salary is £150,000 or more are also identified by name.
[B] One off non-consolidated payment based on performance.
[C] The total amount of sums paid by way of expenses and subject to income tax.
[D] The first £30,000 of the termination payment will be paid without deduction of income tax and national insurance as provided for under section 401 to 405 of the Income Tax (Earnings and Pension) Act 2003. The balance over £30,000 will be subject to tax. This excludes employer's pension contributions that are paid directly to the pension scheme.

The Chief Executive, Executive Director Corporate Services and Borough Solicitor receive an allowance for the provision of advice to North London Waste Authority. This is not included in the above tables as these are declared in the accounts of the NLWA.

In the financial year 2024/2025 we had the General Election (in July) and 2 by-elections (in May and September) for which payments were made to the Chief Executive for her role as Borough Returning Officer and payments made via her to other senior officers who acted as Deputy Returning Officer. Other staff both those who are employed by Camden and those who are not were paid various fees for roles in the elections. These payments were accounted for separately back to the election itself and pursuant to the separate from the Council legal status of the Returning Officer."

There were no other benefits received by the above officers otherwise than in cash not already included in the other categories.

2023/24

Job Title [A]	Salary, fees and allowances	Variable pay [B]	Expenses allowances	Loss of office payment	Employer's pension contributions	Total
	£	£	£	£	£	£
Chief Executive (Jenny Rowlands)	223,406	9,725	-	-	49,087	**282,218**
Executive Director Corporate Services (Jon Rowney)	179,340	7,742	-	-	39,709	**226,791**
Executive Director Supporting Communities (Gillian Marston)	178,090	7,742	313	-	37,538	**223,683**
Borough Solicitor	148,424	4,170	-	-	32,471	**185,066**
Executive Director Adults & Health	140,771	5,910	-	-	29,630	**176,311**
Director of Public Health	132,863	6,209	-	-	19,999	**159,071**
Director of People & Inclusion	124,470	5,362	-	-	26,226	**156,058**
Executive Director Children & Learning	103,965	-	-	-	21,001	**124,966**
Executive Director Supporting People (Martin Pratt)	44,366	8,302	1,908	-	10,900	**65,477**

[A] Officers whose salary is £150,000 or more are also identified by name.
[B] One off non-consolidated payment based on performance.
[C] The total amount of sums paid by way of expenses and subject to income tax.
[D] The first £30,000 of the termination payment will be paid without deduction of income tax and national insurance as provided for under section 401 to 405 of the Income Tax (Earnings and Pension) Act 2003. The balance over £30,000 will be subject to tax. This excludes employer’s pension contributions that are paid directly to the pension scheme

Note 30 Officers' Remuneration contd

b) Remuneration of officers earning above £50,000

The number of staff receiving remuneration in the year in excess of £50,000 is shown below in bands, excluding those officers named in the earlier part of this note. These figures include staff in community schools.

Remuneration excludes employer's pension contributions as these are paid directly to the pension scheme fund but includes benefits in kind, so far as they are chargeable to UK income tax. Also included are compensation payments for termination and other payments receivable on the termination of employment, even where these are not taxable. The numbers include staff that have left or joined part way through the year.

Pay band			2023/24			2024/25
	Non-schools	Community Schools	Overall Total	Non-schools	Community Schools	Overall Total
£50,000 - £54,999	434	103	537	401	99	500
£55,000 - £59,999	287	110	397	301	119	420
£60,000 - £64,999	123	96	219	205	105	310
£65,000 - £69,999	119	50	169	88	71	159
£70,000 - £74,999	42	25	67	74	59	133
£75,000 - £79,999	47	20	67	44	25	69
£80,000 - £84,999	24	19	43	30	19	49
£85,000 - £89,999	15	13	28	21	18	39
£90,000 - £94,999	22	1	23	23	7	30
£95,000 - £99,999	8	3	11	20	2	22
£100,000 - £104,999	9	4	13	9	5	14
£105,000 - £109,999	2	2	4	9	4	13
£110,000 - £114,999	2	1	3	1	4	5

Pay band	Non-schools	Community Schools	2023/24 Overall Total	Non-schools	Community Schools	2024/25 Overall Total
£115,000 - £119,999	1	2	3	1	0	1
£120,000 - £124,999	1	1	2	3	1	4
£125,000 - £129,999	2	0	2	0	1	1
£130,000 - £134,999	2	1	3	4	1	5
£135,000 - £139,999	5	3	8	3	0	3
£140,000 - £144,999	1	1	2	0	2	2
£145,000 - £149,999	1	0	1	2	2	4
£150,000 - £154,999	1	0	1	0	0	0
£155,000 - £159,999	0	0	0	0	0	0
£160,000 - £164,999	0	0	0	0	0	0
£165,000 - £169,999	0	0	0	1	0	1
£170,000 - £174,999	0	0	0	0	0	0
£175,000 - £179,999	0	0	0	0	0	0
£180,000 - £184,999	1	0	1	0	0	0
£185,000 - £189,999	0	0	0	0	0	0
£190,000 - £194,999	0	0	0	0	0	0
£200,000 - £204,999	0	0	0	0	0	0
£205,000 - £209,999	0	0	0	0	0	0
Total	**1149**	**455**	**1604**	**1240**	**544**	**1784**

Note 31 External Audit Costs

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

	2023/24	2024/25
	£'000	**£'000**
Fees payable to the external auditor regarding external audit services carried out by the appointed auditor for the year	417	448
Variation Fees payable to the external auditor for prior year audits*	185	(282)
Fees payable for the certification of grant claims and returns by external auditors during the year	34	33
Fees payable to the external auditor for non-audit services provided during the year	0	0
Total	**636**	**199**

* Due to the backlog in financial reporting and audit work, and the reduced audit work on prior years due to backstop arrangements, some audit fees accrued in prior years are no longer expected to be incurred.

Note 32 Dedicated Schools Grant

The council's expenditure on schools is funded primarily by grant monies provided by the Department for Education (DFE), the Dedicated Schools Grant (DSG). DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools Budget, as defined in the School Finance and Early Years (England) Regulations 2018. The Schools Budget includes elements for a range of educational services provided on an authority-wide basis and for the Individual Schools Budget (ISB), which is divided into a budget share for each maintained school.

Details of the deployment of DSG receivable are as follows:

Central Expenditure 2023/24 £'000	ISB 2023/24 £'000	Total 2023/24 £'000		Central Expenditure 2024/25 £'000	ISB 2024/25 £'000	Total 2024/25 £'000
		200,422	**Final DSG for the financial year**			**210,079**
		(13,640)	Academy figures recouped			(13,895)
		(19,256)	Brought forward from the previous year			(22,344)
		19,256	Carry forward to next financial year agreed in advance			22,344
(34,656)	**(152,126)**	**(186,782)**	**Agreed budgeted distribution in the year**	**(29,582)**	**(166,602)**	**(196,184)**
0	(391)	(391)	In year adjustment	0	(743)	(743)
(34,656)	(152,127)	(187,173)	Final budget distribution for year	(29,582)	(167,345)	(196,927)
27,325	0	32,254	Actual central expenditure	33,795	0	33,795
0	151,831	151,831	Actual ISB deployed to schools	0	166,545	166,545
(2,402)	(686)	(3,088)	Carry forward to DSG in next financial year	4,213	(800)	3,413
0	(19,257)	(19,257)	(Carry forward)/Drawdown of DSG this year	(17,341)	(5,003)	(22,344)
(2,402)	**(19,942)**	**(22,344)**	**Total DSG carry forward**	**(13,128)**	**(5,803)**	**(18,931)**

Note 33 Grant Income

Credited to taxation and non-specific grant income	2023/24	2024/25
	£'000	£'000
New homes Bonus	(55)	(105)
Revenue Support Grant	(26,473)	(28,222)
Levy Account Surplus Grant	(767)	(767)
S31 Grants*	(35,212)	(38,435)
Total	**(62,507)**	**(67,529)**

Credited to Services (CIES)	2023/24	2024/25
	£'000	£'000
Housing Benefit Subsidy	(141,208)	(137,981)
Dedicated Schools Grant (DSG)	(183,423)	(197,952)
Public Health Grant	(29,314)	(30,854)
Young People's Learning Agency	(15,898)	(8,248)
Pupil Premium Grant	(10,104)	(10,136)
Other Grants and Contributions	(13,553)	(16,249)
Other Home Office Grants	(3,758)	(2,203)
PFI Grants	(8,461)	(6,346)
Improved Better Care Fund	(12,874)	(12,874)
Better Care Fund	(27,459)	(32,379)
Discharge Grant	(1,805)	(3,008)
Market Sustainability and Cost of Care Grant	(3,011)	(5,625)
Services Grant	(3,700)	(639)
Homelessness Prevention Grant	(3,667)	(3,704)
Adult Social Care Support Grant	(21,847)	(28,588)

Credited to Services (CIES)	2023/24	2024/25
	£'000	£'000
Asylum Seeking Unaccompanied Children (Under 18)	(3,937)	(3,971)
Additional Education Grants (not DSG)	(15,644)	(20,069)
Teachers pension Grant	(575)	(1,728)
Local Council Tax Support Admin Grant	(629)	0
Teachers Pay Grant	(2,441)	(881)
Rough Sleeping	(3,451)	(2,019)
Afghan Resettlement and Schemes Grant	(7,680)	(1,107)
Household Support Grant	(4,843)	(2,905)
Asylum Seeking Unaccompanied Children (Post 18 Care Leavers)	(3,540)	0
New Burdens Grant	(91)	(13)
Youth Justice Grant	(818)	(935)
Homes for Ukraine	(3,086)	(1,987)
Total	**(526,817)**	**(532,403)**

Capital Grants & Contributions Applied	2023/24	2024/25
	£'000	£'000
S106 Recognised in I&E	(12,074)	(10,036)
Transport for London	(5,900)	(3,007)
HS2 Grants	(6,045)	(2,693)
Local Authority Housing Fund	(22,404)	(4,024)
Other small grants & Contributions	(2,099)	(2,922)
Education Grants	(2,014)	(4,574)
GLA Grants	(42,271)	(19,039)
Social Housing Decarbonisation Fund	(3,120)	(1,463)
Brownfield Release Fund	(1,590)	(2,639)

Capital Grants & Contributions Applied	2023/24	2024/25
	£'000	£'000
Home Office Wraparound Grant	(7,397)	-
Building Safety Fund	(2,616)	-
Disabled Facilities Grant	(1,945)	(1,244)
Community Infrastructure Levy	(10,102)	(2,405)
Leaseholder contributions	(2,135)	(2,050)
Total	**(121,712)**	**(56,094)**

Capital Grant Receipts in Advance	2023/24	2024/25
	£'000	**£'000**
Included in Short Term Liabilities		
HS2 Mitigation Measures	(652)	(600)
HS2 Rehousing Scheme Funding	(4,755)	(2,462)
Standards Fund Capital Grant	(19,063)	(15,235)
S106 12 Smyrna Road Hampstead	(3,189)	(3,249)
Other Grants`	1,110	(1,708)
GLA - Future Neighbourhoods	(4,410)	(2,627)
GLA Refugee Housing Programme	(4,507)	(4,178)
Social Housing Decarbonisation Fund (BEIS)	(8)	(2,866)
Brownfield Land Release Funding (BLRF) DCLG	24	(386)
GLA - Building Council Homes for Londoners	(7,729)	(223)
Levelling Up Fund	(1,609)	(4,973)
Local Authority Housing Fund	(11,074)	(8,115)
Homes England Cladding Safety Scheme (CSS)	(1,200)	(1,200)
UK Online Phase 1	(2,531)	(2,531)
DEFRA Weekly food waste collections	-	(607)

Capital Grant Receipts in Advance	2023/24	2024/25
	£'000	£'000
Transport for London (TfL)	-	(2,413)
Building Safety Fund (BSF)	-	(885)
Total in Short Term Liabilities	**(59,593)**	**(54,256)**
Included in Long Term liabilities		
Section 106	(84,818)	(77,261)
Total In Long Term Liabilities	**(84,818)**	**(77,261)**
Total Capital Grants receipts in advance	**(144,411)**	**(131,517)**

Note 34 Related Parties

The Council is required to disclose material transactions with related parties – those bodies or individuals that could control or influence or be controlled or influenced by the Council. Disclosing 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 the majority of its funding in the form of grants, and prescribes the terms of many of the transactions that the Council has with other parties, for example on housing benefit payments. Details of key transactions with government departments are set out in other notes to the accounts, such as grants received.

Members

Members of the Council have direct control over the council's financial and operating policies.

Members are required by law and the Members' Code of Conduct to disclose the interests of themselves and their spouses or partners in other organisations.

"The following table sets out those organisations not referred to elsewhere in this note, where a Member is judged to have significant influence or control over those other organisations, and the Council has total transactions with them in 2024/25 over £50,000.

Payments made to other organisations include both non-discretionary amounts such as education funding or ongoing Covid-19 business grants and discretionary amounts such as other grants and community infrastructure levy funding. Payments received from other bodies include rent from organisations who are tenants in Council properties or fees and charges for other services.

The register of Members' interests setting out all organisations which councillors have declared an interest in can be viewed via councillors' individual pages via www.camden.gov.uk/democracy or in person at Camden Town Hall during normal working hours.

The total amount of allowances paid to Members in 2024/25 is shown in Note 30.

Details of the related parties are as follows:

Organisation	Payments Made 2023/24 £000s	Payments Received 2023/24 £000s	Payments Made 2024/25 £000s	Payments Received 2024/25 £000s
Abacus Belsize Primary School			154	124
Camden Chinese Community Centre	156	-	231	-
Camden Disability Action (CDA)			-	417
Camden Giving			209	-
Camden Society*	626	53	-	-
Camden Town Unlimited	607	15	687	17
Covent Garden Dragon Hall Trust*	70	-	-	-
Kings Cross Brunswick Neighbourhood Association	316	25	-	-
Local Government Association			44	81
London School of Mosaic	55	-	-	50
Maiden Lane Community Centre	239	-	211	-
Primrose Hill Community Library*	60	-	-	-
Sidings Community Centre	-	86	387	34
Swiss Cottage Community Association			6	65
St Mary's School			58	-
The Working Men's College*	3	52		
Voluntary Action Camden	138	9	128	-
Total	**2,270**	**240**	**2,116**	**789**

* Comparator from the previous year included for context, no longer a related party.

Chief Officers

Chief officers also have significant control and influence over the Council's financial and operating policies. Other than as disclosed elsewhere in this note, there are no material related party transactions to be disclosed for 2024/25.

London Councils

London Councils is a collective body for all London boroughs and the City of London Corporation to allow for collaborative working and provision of some pan-London schemes including Freedom Passes, Taxicards and grants programmes. In 2024/25, the Council paid £2.31m to London Councils (£2.3m in 2023/24). The majority of this was £1.2m in parking, taxicards and other concessionary transport fees, £0.2m in memberships and subscriptions and £0.75m in other grants and contributions.

The Chair of London Councils for part of 2024/25 was a Camden councillor but this is not considered to have impacted on transactions with London Councils taking their normal course.

Greater London Authority

The Council works closely with the Greater London Authority and the Mayor of London and there are transactions between the two organisations. The Council collects the GLA precept part of Council Tax and receives payments and grants from the GLA such as for public realm works or construction works.

NHS Local Trusts and Clinical Commissioning Groups

The Council received £48.94m from NHS bodies (£46.88m in 2023/24) - notably trusts and clinical commissioning groups - during the year for the provision of combined health and community care services.
One Councillor is a Governor of Royal Free London NHS Foundation Trust for which there was total expenditure of £188K during 2024/25 for relevant services (£137K 2023/24).

North London Waste Authority

The North London Waste Authority (NLWA) is a public body with powers to make arrangements for the disposal of waste produced in seven north London boroughs including Camden. Each borough appoints two councillors to sit on the NLWA. In 2024/25, Camden paid the NLWA £7.6m for waste disposal services (£8.23m in 2023/24).

Camden is the lead borough for the NLWA with the Council's Chief Executive acting as the NLWA's Clerk, the Executive Director Corporate Services being the NLWA's Financial Advisor, and the Borough Solicitor serving as the NLWA's Legal Advisor. In 2024/25, Camden received £5.30m from the NLWA for provision of services (£4.28m in 2023/24).

At 31 March 2025, the Council held £198.12m of cash and cash equivalents on behalf of NLWA (£332.26m at 31 March 2024). This has been excluded from the Council's balance sheet.

Camden Living

Camden Living is a wholly-owned Council company which rents out housing in the borough at intermediate and private rents so as to provide a wider local housing offer. At 31 March 2025, the company had acquired 65 units on long-term leases from the Council to be let at intermediate rents.

In addition, a further 92 residential units are leased to Camden Living through operating leases. 48 units are leased to the company until October 2026 on private rental terms. Under this arrangement, Camden Living leases the units at market rents and returns the rental income to the Council after deducting appropriate costs. The remaining 44 units were leased during 2024/25 under new 20-year leases on affordable housing terms, where the company leases the units at affordable rents to refugee families, utilising funding provided by the Government for the purpose of doing so. Again, the rental income is returned to the Council after the company has deducted reasonable administration costs.

At year-end, the Council had entered into an agreement to dispose of 34 units to Camden Living Housing Association on a 999-year lease for £6.4m and to enter into an agreement to loan the same amount to Camden Living to fund the disposal. While the agreement was in place at year-end, it was not completed and transacted until 2025/26

As at 31 March 2025, Camden Living has loans of £5.086m that have been provided by the council. The council also owns shares in Camden Living Limited, totalling £3.449m. At that date, other amounts owed to the Council by the company, for example for lease payments and accrued interest, totalled £0.042m (0.326m 2023/24). Amounts owed to the company by the Council for, for example management fees, totalled £0.390m. (0.335m 2023/24).

The Council's Executive Director Corporate Services ceased to be a company director in 2023/24. Other Council officers have been appointed to the board of Camden Living, but are not chief officers within the meaning of this note.

Camden Learning

Camden Learning is an entity created as a partnership between Camden Council and schools in Camden to foster collaboration and provide services to schools with the aim of improving education outcomes in the borough

The Cabinet Member with responsibility for schools sits on the board of Camden Learning as does the Executive Director Supporting People. The Council's membership of and voting rights on the board is limited under the articles of association to a maximum of 19.9% and do not trigger local authority associated person influenced status.

In 2024/25, the Council commissioned services from Camden Learning and made payments of £3.82m (£4.05m in 2023/24) and received £3.76m (£3.87m in 2023/24) for provision of seconded staff and other services. The Council has agreed to commission services from Camden Learning through to at least August 2026.

Note 35 Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in this table (including the Right of Use leased assets under IFRS 16, and Private Finance Initiative (PFI) contracts), together with the resources that have been used to finance it.

Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed.

	2023/24 £'000	2024/25 £'000
Opening Capital Financing Requirement	**631,799**	**656,751**
Right-of-Use asset recognition (IFRS 16)	0	62,280
Adjusted Opening Balance	**631,799**	**719,031**
Capital Investment		
Property, plant and equipment	223,984	252,643
Investment properties	917	911
Intangible assets	0	361
Revenue expenditure funded from capital under statute	7,596	2,314
Reversals of prior capital additions	(113)	0
Total Capital Investment	**232,384**	**256,229**
Sources of Finance		
Capital receipts	37,258	76,433
Government grants and other contributions	116,359	62,780
Direct revenue contributions	8,285	11,051
Major Repairs Reserve	38,268	54,996
Minimum Revenue Provision (MRP)	7,262	8,285
Total Sources of Finance	**207,432**	**213,545**
Closing Capital Financing Requirement	**656,751**	**761,715**
Change in CFR	24,952	104,964

Explanation for Movements in year	2023/24 £'000	2024/25 £'000
Increase in underlying need to borrowing (unsupported by government financial assistance)	32,214	113,249
Statutory provision for repayment of debt (Minimum Revenue Provision)	(7,262)	(8,285)
Increase/(decrease) in Capital Financing Requirement	24,952	104,964

Note 36 Leases

Authority as Lessee

From 1 April 2024, Camden has applied IFRS 16 Leases as interpreted by the CIPFA Code of Practice on Local Authority Accounting, including the transitional provisions. Under the previous accounting rules, assets held under leases were only recognised on the balance sheet where the Council acquired substantially all the risks and rewards of ownership of the leased item. This was known as a finance lease. Other leases where the risks and rewards remained substantially with the supplier were known as operating leases.

Under IFRS 16, where the Council has entered into a contract that conveys the right to control an asset it recognises a right-of-use asset on the Balance Sheet with a corresponding liability reflecting the value of the future payments the Council is obliged to make under the contractual arrangement discounted to their present value. Initial direct costs and payment made prior to the commencement date of the lease are added to the carrying amount of the asset. Right of use assets also include those arrangements where there is no payment or other consideration for use of the asset, which are recognised at fair value with a corresponding adjustment to the Capital Adjustment Account.

The rate at which the future payments are discounted to their present value to calculate the liability is either the the interest rate implicit in the the lease or where this is not readily determinable, the Council's incremental borrowing rate. The weighted average interest rate applied to lease liabilities recognised under IFRS 16 at 1 April 2024 was 5.42%.

Exclusions are made under IFRS 16 for short-term leases - where the arrangement is for 12 months or less - or where the value of the underlying asset is low value. The Council has deemed low value to be £10,000 or less. Rental costs associated with these arrangements are charged as service expenditure on the Comprehensive Income and Expenditure Statement.

Right of Use Assets

At 31 March 2024, the Council already held on the balance sheet a number of assets under finance leases, generally with peppercorn or historically low fixed rents. As a result of IFRS 16 transition, the Council has recognised on the balance sheet leases previously held as operating leases with corresponding lease liabilities and additional liabilities associated with existing finance leases where under the previous lease accounting rules rental payments were not considered part of the lease liability and simply expensed to the Comprehensive Income and Expenditure Statement.

The majority of the Council's Right of Use assets by value are Council dwellings - both blocks and individual units - on long term leases for the provision of social housing and the Council's main offices, 5 Pancras Square, which is held on a 999 year lease at a peppercorn rent.

Right-of-use assets recognised under leases are accounted for using the policies applied generally to Property, Plant and Equipment assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life. This will include valuation where the cost model does not provide a reliable proxy for the current value of the right-of-use asset. Charges associated with these assets are under accounting rules are not payable using Council Tax resources and therefore reversed through the Movement in Reserves Statement to the Comprehensive Income and Expenditure Statement. A charge for Right of Use assets held in the General Fund is instead recognised through Minimum Revenue Provision.

	Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Community Assets	Total PPE	Investment Properties	Total Right of Use
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Balance at 31 March 2024	**178,286**	**222,747**	**0**	**18**	**401,051**	**3,167**	**404,218**
IFRS 16 Adjustment at 1 April 2024	51,000	8,920	120	0	60,040	2,239	62,279
Additions	1,061	944	49	4	2,058	0	2,058
Disposals	0	(610)	0	0	(610)	0	(610)
Revaluations	(65,355)	11,892	0	0	(53,463)	(1,787)	(55,250)
Depreciation and Impairments	(572)	(40,652)	(45)	(1)	(41,270)	0	(41,270)
Transfers	(104)	(216)	0	0	(320)	(1)	(321)
Balance at 31 March 2025	**164,316**	**203,025**	**124**	**21**	**367,486**	**3,618**	**371,104**

Maturity analysis of lease liabilities

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

	31 March 2024 £000's	31 March 2025 £000's
Less than 1 year	0	28
1 to 5 years	2,549	1,678
More than 5 years	236,634	233,180
Total undiscounted liabilities	**239,183**	**234,886**

Authority as Lessor

Finance Leases

Where the Council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal and replaced by a long-term debtor in the Balance Sheet valued on the future income due under the finance lease. This value then reduces over time as principal repayments are made. In 2024/25, the authority had no finance leases where it was the lessor and material payments were receivable in the future; the same applied in 2023/24.

Operating Leases

The Council grants leases to other bodies where the risks and rewards associated with the asset remain substantially with the Council, generally because the length of the lease is relatively short. The Council broadly grants operating leases for three reasons:

- To allow providers to deliver certain services to the community such as nursery provision or sports facilities;
- For economic development purposes so local businesses and voluntary and community organisations have affordable accommodation;
- To generate investment income for the Council through charging market rents.

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 recognised in the Comprehensive Income and Expenditure Statement on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease).

Maturity Analysis of Lease Receivables

The lease receivables arising from operating leases granted by the Council are due to be collected over the following time bands (measured at the undiscounted amounts of expected cash receipts). The increase in lease receivables between 31 March 2024 and 31 March 2025 is driven primarily by the agreement of new leases for parts of the refurbished Camden Town Hall.

	31 March 2024 £000's	31 March 2025 £000's
Less than 1 year	11,549	15,312
1 to 2 years	10,478	13,957
2 to 3 years	9,215	12,386
3 to 4 years	7,994	10,971
4 to 5 years	6,872	9,857
Greater than 5 years	31,160	92,514
Total	**77,268**	**154,997**

Note 37 Private Finance Initiatives and similar contracts

PFI contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment (PPE) needed to provide the services passes to the PFI contractor. As the council is deemed to control the services that are provided under its PFI schemes and as ownership of the PPE will pass to the council at the end of the contracts for no additional charge, the council carries the PPE used under the contracts on the Balance Sheet. The PPE recognised on the Balance Sheet is revalued and depreciated in the same way as PPE owned by the council.

Haverstock School PFI

In 2003/04 Camden signed a 27-year contract to rebuild the Haverstock School and then provide services to the school. The unitary charge is subject to indexation and performance deductions for service and availability failures. The land where the dwelling blocks are situated belongs to the Council and the Operator has been granted a licence to use the land for undertaking the works and services.

The original recognition of the PPE was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the PPE. For the Haverstock School PFI, the liability was written down by an initial capital contribution of £4.0m. Details of the payments due to be made under PFI arrangements (separated into repayments of liability, interest and service charges): Although the payments made to the contractor are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed. The liability outstanding to pay the contractor for capital expenditure incurred is as follows:

	2023/24	2024/25
	£'000	**£'000**
Balance Outstanding April, 1st	(7,959)	(7,246)
Payments in year	713	673
IFRS 16 transitional adjustment		59
Lease liability remeasurement		3
Total	**(7,246)**	**(6,511)**

	Payment for Services £'000	Repayment of liability £'000	Interest £'000	Total £'000
Payable in year 2025/26	1,581	808	548	2,938
Payable within 2 to 5 years	5,370	5,041	1,339	11,750
Payable within 6 to 10 years	506	662	56	1,224
Total	**(7,457)**	**6,511**	**1,943**	**15,912**

Camden

Swiss Cottage SEN School and UCL Academy PFI

In 2011/12 the council signed a 25-year contract to build two new schools at Adelaide Road, Swiss Cottage SEN School and UCL Academy, and provide facilities management services excluding catering services.

The council is required to pay an annual unitary charge to compensate the contractor for the fair value of the services they provide, the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed. The unitary charge is subject to indexation and performance deductions for service and availability failures. The council receives an annual PFI credit towards the unitary charge.

The schools each make annual contributions to meet the costs of the unitary charge not covered by the PFI credits and for the council to manage the PFI services and provide ICT facilities to the schools. Details of the payments due to be made under PFI arrangements (separated into repayments of liability, interest, and service charges).

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

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

	2023/24	2024/25
	£'000	**£'000**
Balance Outstanding April, 1st	(37,042)	(35,501)
Payments in year	1,541	1,638
IFRS 16 transitional adjustment		110
Lease liability remeasurement		8
Total	**(35,501)**	**(33,754)**

	Payment for Services £'000	Repayment of liability £'000	Interest £'000	Total £'000
Payable in year 2025/26	3,571	1,432	3,219	8,222
Payable within 2 to 5 years	12,977	8,650	11,259	32,886
Payable within 6 to 10 years	18,169	14,082	8,857	41,108
Payable within 11 to 15 years	9,872	9,581	1,720	21,173
Total	**44,589**	**33,745**	**25,054**	**103,388**

Note 38 Termination Benefits

The Council continued to engage in salary savings activity in the financial year 2024-25, where it undertakes service transformation as part of its Medium-Term Financial Strategy. The following tables provide a summary of the exit packages associated with the required redundancies to achieve the Council's transformational goals.

For the year 2024-25, the Council has charged to the Comprehensive Income and Expenditure Account a total of £2.08m for the termination of contracts that have occurred during 2024-25. This is for the termination of 31 employee contracts spread across a range of Council services.

The table above provides an analysis of the exit packages approved during 2024-25. This analysis discloses both the number of exit packages and the total cost of redundancies by the total cost band for each redundancy. With reference to the columns labelled:

- 'compulsory redundancies': this summarises the costs associated with the total number of compulsory redundancies in 2024-25.

- 'other departures': wherever possible, redundancies have been minimised through the use of a variety of measures including the use of voluntary redundancy in 2024-25.

	Number of compulsory redundancies		Number of other departures agreed		Total departures per band		Cost of compulsory redundancies		Cost of other departures agreed		Total cost of exit packages per band	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
							£'000	£'000	£'000	£'000	£'000	£'000
£0 - £20,000	12	3	6	3	18	6	58	26	71	41	129	67
£20,001 - £40,000	3	2	7	3	10	5	103	72	193	94	296	166
£40,001 - £60,000	1	3	3	3	4	6	51	142	138	134	189	276
£60,001 - £80,000	0	2	2	2	2	4	0	128	149	129	149	257
£80,001 - £100,000	1	1	1	1	2	2	84	98	91	94	175	192
£100,001 - £150,000	1	2	0	4	1	6	123	266	0	526	123	792
£150,001 - £200,000	1	0	0	2	1	2	184	0	0	331	184	331
Total	**19**	**13**	**19**	**18**	**38**	**31**	**602**	**732**	**643**	**1,349**	**1,244**	**2,081**

Note 39 Pensions Schemes Accounted for as Defined Contribution Schemes

Teacher's Pensions

Teachers employed by the Authority are members of the Teachers' Pension Scheme, administered by the Department for Education.

The Scheme provides teachers with specified benefits upon their retirement, and the authority contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The Scheme is technically a defined benefit scheme. However, the Scheme is unfunded, and the Department for Education uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. The Authority is not able to identify its underlying share financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2024/25 the Council paid £20.603m to Teachers' Pensions in respect of teachers' retirement benefits (£15.965m in 2023/24), representing 28.7% of pensionable pay (23.7% in 2023/24). As a proportion of the total contributions into the Teachers' Pension Scheme during the year ending 31 March 2025, the Council's own contributions equate to approximately 74.3%.

It is estimated that Teachers' Pensions contributions for 2025/26 would be £21.084m.

The Authority is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis, included in the current service cost.

Note 40 Defined Benefit Pension Schemes

Participation in Pension Schemes

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

The Council's employees primarily belong to three principal pension schemes, all of which are defined benefit schemes.

These three schemes are:

- London Borough of Camden Pension Fund,
- London Pension Fund Authority
- Teachers' Pension Scheme

For the purposes of this Statement of Accounts, the Teachers' Pension Scheme is accounted for on the same basis as a defined contribution scheme and disclosed in the preceding Note 40.

The Local Government Pension Scheme's actuaries determine the employer's contribution rate based on triennial actuarial valuation undertaken as at 31st March 2022, setting the contribution rates from 2023/24 to 2025/26.

The next triennial valuation to set contribution rates for 2026/27 to 2028/29 will be undertaken as at March 31st 2025, with results provided in March 2026.

Under Pension Fund regulations applying from 2007/08, contribution rates are required to meet 100% of the overall liabilities of the Fund over an agreed period, and the contributions needed by the Council to meet this requirement will continue to be funded at the level recommended by the Fund's actuary

Transactions Relating to Post-employment Benefits

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement.

Scheme Funding Policy

The Council, on agreement with the actuary, decided to pay the 3 years' past service deficit payments for 2023/24, 2024/25 and 2025/26 in the year in which they are due, i.e. £19.666m in 2023/24, £17.666m in 24/25 and £16.166m in 25/26.

The total expected contributions for 2025/26 are £55.390m for the council's scheme and £0.043m for the LPFA scheme as per the triennial valuation conducted as at 31st March 2022.

Weighted Average Duration

The discount rate should reflect the term of the benefit obligation. For this a weighted average duration of the benefit obligation has been calculated. This is defined as the weighted average time until payment of all expected future discounted cash flows, determined based on membership and the financial and demographic assumptions at a particular time. The shorter the duration the more 'mature' the employer. The weighted average duration of the defined benefit obligation for the council scheme members is 17 years and 10 years for LPFA scheme members.

Effect on Future Cash Flows in the Authority

One of the objectives of the scheme is to keep employers' contribution rates at as constant a rate as possible. The Council has agreed a strategy with the scheme's actuary to limit the impact of increases or reductions in the required employer contribution rate to 3.2% of pay per year. This stabilisation policy allows short term investment market volatility to be managed so as not to cause volatility in employer contribution rates, on the basis that a long term view can be taken on net cash inflow, investment returns and strength of employer covenant.

The latest triennial valuation was carried out as at 31 March 2022, with results and contribution rates to be implemented from 2023/24.

On the basis of extensive modelling carried out for the 2022 valuation exercise, the stabilised Council contributions for the next three years are as follows:

- ”future service” contributions expressed as a percentage of active Fund members' pensionable payroll, will remain at 19.8% for financial years up to 2025/26.
- “past service” deficit repair payments expressed in monetary terms, being £19.666m in 2023/24 reducing to £17.666m in 2024/25 and £16.166m in 2025/26.
- The combined future and past service contributions broadly equate to annual increases of 3.2% of payroll projected into future years.

As set out below, the Council's share of the pension assets within the London Pension Fund Authority (LPFA) as at 31st March 2025 was £53.241m (31st March 2024 was £54.160m). Within the LPFA's pension assets are £21.642m of unquoted (level 3) investments (£21.453m at 31 March 2024).

Pensions Assets and Liabilities recognised in the Balance Sheet

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

Camden 2023/24	LPFA 2023/24	Total 2023/24	Pensions Assets and Liabilities recognised in the Balance Sheet	Camden 2024/25	LPFA 2024/25	Total 2024/25
£'000	**£'000**	**£'000**		**£'000**	**£'000**	**£'000**
(1,836,399)	(34,375)	(1,870,774)	Present Value of the defined benefit obligation	(1,598,862)	(30,681)	(1,629,543)
1,994,771	54,160	2,048,931	Fair value of plan assets	2,087,815	53,241	2,141,056
(361,854)	(19,746)	(381,600)	Impact of asset ceiling	(663,703)	(22,517)	(686,220)
(22,864)	(623)	(23,487)	Present Value of the unfunded liabilities	(20,005)	(580)	(20,585)
(1,836,399)	(34,375)	(1,870,774)	Present Value of the defined benefit obligation	(1,598,862)	(30,681)	(1,629,543)
(226,346)	**(584)**	**(226,930)**	**Net liability arising from defined benefit obligation**	**(194,755)**	**(537)**	**(195,292)**

Camden 2023/24	LPFA 2023/24	Total 2023/24	Reconciliation of the Movements in the Fair Value of Scheme (Plan) Assets	Camden 2024/25	LPFA 2024/25	Total 2024/25
£'000	**£'000**	**£'000**		**£'000**	**£'000**	**£'000**
1,817,421	52,465	1,869,886	Opening Fair Value of Employer Assets	1,994,771	54,160	2,048,931
0	(16)	(16)	Administration Expenses	(268)	(16)	(284)
85,768	2,462	88,230	Interest Income	95,831	2,566	98,397
			Remeasurement gain/(loss):			0
95,764	1,634	97,398	the return on plan assets, excluding the amount included in the net interest expense	(8,812)	(919)	(9,731)
65,127	99	65,226	Contributions from employer	67,061	98	67,159
0	0	0	Other	0	0	0
14,484	28	14,512	Contributions from employees into the scheme	15,584	27	15,611
(83,793)	(2,512)	(86,305)	Benefits Paid	(76,352)	(2,675)	(79,027)
1,994,771	**54,160**	**2,048,931**	**Closing Fair Value of Employer Assets**	**2,087,815**	**53,241**	**2,141,056**

Camden 2023/24	LPFA 2023/24	Total 2023/24	Reconciliation of Asset Ceiling	Camden 2024/25	LPFA 2024/25	Total 2024/25
£'000	**£'000**	**£'000**		**£'000**	**£'000**	**£'000**
0	16,975	16,975	Opening Impact of Asset Ceiling	361,854	19,746	381,600
361,854	1,956	363,810	Actuarial losses / (gains)	284,480	1,956	286,436
0	815	815	Interest on Asset Ceiling	17,369	815	18,184
361,854	**19,746**	**381,600**	**Closing Impact of Asset Ceiling**	**663,703**	**22,517**	**686,220**

The actuarial valuation of the Camden Pension fund and the LPFA Scheme asset/liability showed a surplus. The actuary has calculated an asset ceiling which is the difference between the accounting surplus attributable to the Employer and the surplus limit, to restrict the amount of net asset (relative to funding obligations) the Employer can disclose.

Camden 2023/24	LPFA 2023/24	Total 2023/24	Reconciliation of defined benefit	Camden 2024/25	LPFA 2024/25	Total 2024/25
£'000	**£'000**	**£'000**		**£'000**	**£'000**	**£'000**
1,832,739	36,109	1,868,848	Opening Defined Benefit Obligation	1,859,263	34,998	1,894,261
45,585	85	45,670	Current Service Cost	44,349	85	44,434
86,520	1,674	88,194	Interest cost	88,846	1,634	90,480
14,484	28	14,512	Contributions from scheme participants	15,584	27	15,611
			Remeasurement (gains) and losses:			
(10,698)	(475)	(11,173)	Actuarial gains and losses arising on changes in demographic assumptions	(3,245)	(87)	(3,332)
(85,803)	(19)	(85,822)	Actuarial gains and losses arising on changes in financial assumptions	(292,366)	(2,627)	(294,993)
59,318	108	59,426	Other	(19,189)	(94)	(19,283)
911	0	911	Past service cost	1,977	0	1,977
(83,793)	(2,512)	(86,305)	Estimated Benefits Paid	(76,352)	(2,675)	(79,027)
1,859,263	**34,998**	**1,894,261**	**Closing Defined Benefit Obligation**	**1,618,867**	**31,261**	**1,650,128**

Camden LGPS Scheme assets comprised of:

Asset Category	Quoted Prices in active markets 2023/24	Quoted Prices in inactive markets 2023/24	Total 2023/24	% of Total Assets 2023/24	Quoted Prices in active markets 2024/25	Quoted Prices in inactive markets 2024/25	Total 2024/25	% of Total Assets 2024/25
	£'000	**£'000**	**£'000**		**£'000**	**£'000**	**£'000**	
Real Estate:								
UK Property	0	0	0		0	0	0	
Overseas Property	0	0	0		0	0	0	
Investment Fund and Unit Trusts								
Equities	1,079,417	48,437	1,127,853	57%	1,129,910	50,703	1,180,612	57%
Bonds	393,425	0	393,425	20%	411,828		411,828	20%
Hedge Funds	0		0	0%	0		0	0%
Other	267,885	141356	409,241	21%	280,416	147968	428,384	21%
Cash and Cash Equivalents								
All	64,253	0	64,253	3%	67,258		67,258	3%
Total Assets	**1,804,978**	**189,793**	**1,994,771**	100%	**1,889,412**	**198,671**	**2,088,083**	100%

LPFA Scheme assets comprised of:

Asset Category	Quoted Prices 2023/24	% of Total Assets 2023/24	Quoted Prices 2024/25	% of Total Assets 2024/25
	£'000		**£'000**	
Equities	31,402	59%	32,793	61%
Target return portfolio	9,669	18%	9,343	17%
Target Return Portfolio	6,073	11%	6,222	11%
Property	4,852	9%	4,954	9%
Cash	1,245	2%	848	2%
Total Assets	**53,241**	**100%**	**54,160**	**100%**

Basis for Estimating Assets and Liabilities

Liabilities for the Council and LPFA schemes have been assessed by Hymans Robertson LLP and Barnett Waddingham, respectively. Both 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 information is based on data relating to the latest full valuations as at March 31st 2022, and rolled forward. The significant assumptions used by the actuary have been:

Mortality	Camden (Years) 2023/24	LPFA (Years) 2023/24	Camden (Years) 2024/25	LPFA (Years) 2024/25
Average future life expectancies at age 65 for current pensioners				
Male	21.3	19.7	21.2	19.7
Female	24.1	19.9	24.0	23.7
Average future life expectancies at age 65 for future pensioners				
Male	22.6	21.7	22.5	21.7
Female	25.6	25.5	25.6	25.6

Financial Assumptions	Camden 2023/24	LPFA 2023/24	Camden 2024/25	LPFA 2024/25
Pension Increase Rate	2.80%	2.95%	2.80%	2.90%
Salary Increase Rate	3.30%	3.95%	3.30%	3.90%
Discount Rate	4.80%	4.85%	5.80%	5.65%

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 the analysis below assumes for each change that the assumption being analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases 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, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below are based on the membership profile at the latest actuarial valuation (31 March 2022).

LGPS Analysis:

Change in assumptions at 31 March 2025	Approximate % Increase to Employer Liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	27,094
1 year increase in member life expectancy	4%	64,765
0.1% increase in the Salary Increase Rate	0%	1,082
0.1% increase in the Pension Increase Rate (CPI)	2%	26,758

LPFA Analysis:

Analysis	£'000	£'000	£'000
Adjustment to Discount rate	**+0.10%**	**0.00%**	**-0.10%**
Present Value of Total Obligation	30,976	31,261	31,551
Projected Service Cost	71	72	73
Adjustment to Long Term salary increase	**+0.10%**	**0.00%**	**-0.10%**
Present Value of Total Obligation	31,271	31,261	31,252
Projected Service Cost	72	72	72
Adjustment to pension increases and deferred revaluation	**+0.10%**	**0.00%**	**-0.10%**
Present Value of Total Obligation	31,549	31,261	30,978
Projected Service Cost	73	72	71
Analysis	£'000	£'000	£'000
Adjustment to the mortality age rating assumption	**+1 year**	**None**	**-1 year**
Present Value of Total Obligation	33,003	31,261	29,621
Projected Service Cost	74	72	70

Note 41 Contingent Liabilities

The Council's contingent liabilities cover various on-going litigations and guarantees. The total expected value of these liabilities is £6.23m at 31 March 2025 (£2.32m at 31 March 2025 (restated)).

Note 42 Nature and extent of risks arising from Financial Instruments

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

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

The Council's management of treasury risks actively works to minimise the Council's exposure to the effects of the unpredictability of financial markets and to protect the financial resources available to fund services.

Risk management is carried out by a central treasury team under policies approved by the Council in the annual treasury management strategy report. 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.

Customers for goods and services are assessed considering their financial position, past experience and other factors.

It is the policy of the Council to place deposits only with a limited number of high-quality banks whose credit rating is independently assessed as sufficiently secure by the credit rating agencies and the Council's treasury consultants to restrict lending to a prudent maximum amount for each institution.

This Council uses the creditworthiness service provided by MUFG (Mitsubishi UFJ Financial Group) Corporate Markets Treasury Limited (formerly known as Link Asset Services). This service uses a sophisticated modelling approach with credit ratings from all three rating agencies - Fitch, Moody's and Standard and Poor's, forming the core element. However, the Council does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- credit watches and credit outlooks from credit rating agencies
- CDS spreads to give early warning of likely changes in credit ratings
- analysis of financial institutions' balance sheet and ability to withstand stress

The Council also has a policy of limiting deposits with institutions to a maximum of £60m for the very highest rated institutions such as local authorities, £300m with the UK government institutions such as DMADF and £150m with the very highest rated Money Market Funds. The Council continues to view NatWest as part-nationalised given the Government's continued ownership. The 2021/22 Mid-Year report agreed delegating authority to the Executive Director Corporate Services to increase the bank limit from £135m to £240m (previously £60m) to manage increased investment balances as and when the NLWA borrows.

The Council credit criteria for selecting approved counterparties are published in the Treasury Management Strategy report, which is approved annually by the Council.

The Council's maximum exposure to credit risk in relation to its investments in banks cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of the Council not being able to recover its funds applies to all of the Council's deposits, but there was no evidence at the 31 March 2025 that this was likely to crystallise. The Council expects full repayment on the due date of deposits placed with its counterparties.

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

Liquidity Risk

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

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

Refinancing and Maturity risk

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

The Council has safeguards in place to ensure that a significant proportion of its borrowing does not mature for repayment at any one time in the future to reduce the financial impact of re-borrowing at a time of unfavourable interest rates.

The maturity structure of financial liabilities is as follows (at nominal value).

	31-Mar-24 £'000	31-Mar-25 £'000
Public Works Loans Board	(189,965)	(169,281)
Market Debt	(125,000)	(125,000)
Total	**(314,965)**	**(294,281)**
Less than one year	(20,684)	0
Between:		
one and two years	(13,410)	(12,410)
two and five years	0	(1,000)
five and ten years	0	0
More than 10 years	(280,871)	(280,871)
	(314,965)	**(294,281)**

Market Risk

There are two key types of market risk that Camden is exposed to – interest rate risk and foreign exchange rate risk.

The Council has no General Fund financial assets or liabilities denominated in foreign

currencies and thus has no exposure to losses arising from movements in exchange rates.

Interest Rate Risk

The Council is exposed to risk in terms of its exposure to interest rate movements on its borrowing and investments.

Movements in interest rates have a complex impact on the Council. For instance, a rise in interest rates would have the following effects:

- borrowing at variable rates - the interest expense charged to the Surplus or Deficit on the Provision of Services will rise;
- borrowing at fixed rates - the fair value of the liabilities borrowings will fall;
- investments at variable rates - the interest income credited to the Surplus or Deficit on the Provision of Services will rise;
- investments at fixed rates - the fair value of the assets will fall.

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

The Annual Treasury Management 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, treasury indicator is set which provides maximum limits for fixed and variable interest rate exposure. The treasury team will monitor market and forecast interest rates within the year to adjust exposures appropriately. For instance, during periods of falling interest rates, the drawing of longer-term fixed rates borrowing would be postponed.

According to this assessment strategy, at 31 March 2025, if interest rates had been 1% higher with all other variables held constant, the financial effect would be:

Impact of a 1% increase in interest rates	2024/25
	£000
Increase in interest payable on variable rate borrowing	1,240
Increase in interest receivable on variable-rate investments	0
Increase in government grant receivable for financing costs	0
Impact on Surplus or Deficit on the Provision of Services	1,240
Share of overall impact debited to the HRA	1,090
Decrease in fair value of fixed-rate investment assets	0
Impact on Other Comprehensive Income and Expenditure	0
Decrease in fair value of fixed rate borrowing liabilities (no impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure)	(26,571)

Note 43 Trust Funds and other accounts

The Authority administers a number of trust accounts. The balances on these funds are not included in the Balance Sheet.

	Balance at 01-Apr-24	Receipts	Payments	Balance at 31-Mar-25
	£	£	£	£
Education	(10,370)	(516)	0	(10,886)
Social Services	(42,434)	(2,110)	0	(44,544)
Other Funds	(184,668)	(9,198)	0	(193,866)
Waterlow Park	(793,619)	(1,442,750)	1,194,844	(1,041,525)
Lauderdale House Charity	(705,715)	(30,564)	56,702	(679,577)
Emmanuel Vincent Harris Trust	(4,311,850)	(19,004)	0	(4,330,854)
Neighbourhood Forum Funds	(2,367)	0	7,008	4,641
Total	**(6,051,023)**	**(1,504,142)**	**1,258,554**	**(6,296,611)**

Assets and liabilities on the funds as at 31 March 2025 were:

	2023/24	2024/25
	£	£
Property, Plant and Equipment	1,499,334	1,721,102
Investments	4,551,689	4,575,509
	6,051,023	**6,296,611**
Represented by Trust Funds	6,051,023	6,296,611

In addition, the authority administers funds of c.£8.2m in 2024/25 (c.£7m in 2023/24) on behalf of Adult Social Care service clients, including funds administered by officers as a Court appointee or receiver.

4.
Housing Revenue Account

Housing Revenue Account

HRA Comprehensive Income and Expenditure Statement

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

		2023/24	2024/25
	Note	**£'000**	**£'000**
Expenditure			
Repairs and maintenance		99,515	95,378
Supervision and management		58,339	61,452
Rents, rates and other charges		14,879	14,585
Movement in the allowance for bad debts		3,118	3,705
Depreciation, impairment and revaluation losses of non-current assets	6	38,998	260,055
Debt Management Costs		135	192
Total expenditure		**214,984**	**435,367**

Camden

HRA Comprehensive Income and Expenditure Statement (continued)

	Note	2023/24 £'000	2024/25 £'000
Income			
Dwelling rents	1,2	(151,276)	(162,280)
Non-dwelling rents		(15,065)	(16,138)
Charges for services and facilities		(37,482)	(39,528)
Contributions towards expenditure		(32,573)	(26,922)
Total Income		**(236,396)**	**(244,868)**
Net (Income)/Expenditure for HRA Services per whole Authority Comprehensive Income and Expenditure Statement		**(21,411)**	**190,499**
HRA services' share of Corporate and Democratic Core		526	604
Net (Income)/Expenditure for HRA Services per whole Authority Comprehensive Income and Expenditure Statement		**(20,885)**	**191,103**

HRA Share of the Operating Income and Expenditure included in the Comprehensive Income and Expenditure Statement contd.

	Note	2023/24 £'000	2024/25 £'000
(Gain) or loss on sale of HRA non-current assets		(25,722)	(15,176)
Interest payable and similar charges	4	24,297	26,770
Interest and Investment Income	4	(3,749)	(1,769)
Capital Grants and Contributions Receivable		(73,888)	(35,664)
(Surplus) or deficit for the year on HRA services		**(99,947)**	**165,264**

Statement of Movement on the HRA Balance

	Note	2023/24 £'000	2024/25 £'000
Balance on HRA at the end of the previous year		**(12,009)**	**(13,387)**
(Surplus) or deficit for the year on the HRA Income and Expenditure Statement		(99,947)	165,264
Adjustments between accounting basis and funding basis under statute	6	105,765	(159,679)
HRA Balance		**5,818**	**5,585**
Transfer to / (from) Earmarked Reserves		(7,196)	(6,377)
(Increase) or decrease in year on the HRA		**(1,378)**	**(792)**
Balance on the HRA at the end of the current year after transfers to / (from) Earmarked Reserves		**(13,387)**	**(14,179)**

Note 1 Gross Rent Income

Gross rent income is the total rent income due for the year after allowance is made for vacant properties. During the year 4.31% of properties used for permanent accommodation were vacant (3.85 % in 2023/24). The average rent for all stock excluding service charges was £138.65 per week in 2024/25, an increase of 7.86% from the 2023/24 level of £128.55

Note 2 Housing Stock

The Council was responsible at 31 March 2025 for managing self-contained and shared dwellings

	2023/24	2024/25
Property type	**Number of units**	**Number of units**
Studio / 1 Bed accommodation	9,194	9,177
2 Bed accommodation	7,236	7,229
3 Bed accommodation	4,794	4,793
4 Bed + accommodation	1,384	1,384
Self-contained temporary accommodation	157	268
Shared units	188	188
Shared ownership units	1	2
Total	**22,954**	**23,041**

Movements in year	Number of units
Acquisitions	57
New builds	79
Demolitions	0
Right to Buy sales	(39)
Other sales	(6)
Conversions	(4)
Total	**87**

The below table shows the movements on balances for fixed asset classes in the HRA. The following asset classes are not reported as the Council does not hold any assets in its HRA in those classes:

- Community
- Infrastructure

HRA Property, Plant and Equipment Balances 2024/25						
Net Book Value	**Council Dwellings**	**Other Land and Buildings**	**Vehicles, Plant and Equipment**	**Surplus Assets**	**Assets Under Construction**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
1 April	3,031,658	208,918	50	0	110,641	3,351,267
31 March	2,888,637	215,892	50	(5)	94,068	3,198,642

Comparative Balances 2023/24						
Net Book Value	**Council Dwellings**	**Other Land and Buildings**	**Vehicles, Plant and Equipment**	**Surplus Assets**	**Assets Under Construction**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
1 April	2,841,598	194,017	0	0	73,230	3,108,845
31 March	3,031,658	208,918	50	0	110,641	3,351,267

The total vacant possession value of dwelling properties held in the HRA at 31 March 2025 was £11.0bn (£11.8bn at 31 March 2023).

The difference between the vacant possession and the balance sheet value represents the economic cost of providing social housing at less than open market rents and is calculated by discounting the vacant possession value down to 25% of the market value.

There was an impairment of £92K against one HRA asset in 2024/25 and depreciation charges were as follows:

	2023/24	**2024/25**
	£'000	**£'000**
Council Dwellings	38,848	41,430
Other Land and Buildings	4,445	5,347
Total	**43,293**	**46,777**

HRA Investment Properties

Opening and closing balances for investment properties held in the HRA were as follows:

	2023/24	2024/25
	£'000	£'000
1 April	544	27,048
31 March	27,048	28,824

Note 3 Rent Arrears

The arrears at 31 March 2025 were £22.822m (£20.830m 31 March 2024). Amounts written off during the year totalled £1.868m (£0.874m 31 March 2024) and a provision for bad debts at the year-end totalled £20.085m (£18.511m 31 March 2024).

Note 4 Interest Charges

Interest charges met by the Housing Revenue Account are charged by the General Fund in accordance with the Item 8 Credit and Item 8 Debit (General) determination made by the Secretary of State under part II of schedule 4 to the Local Government and Housing Act 1989.

Note 5 HRA Contributions to the Pension Reserve

Under IAS 19, the pension amount charged to each council service is the amount of pension benefit earned in the year, as determined by the actuary. This replaces the cash contributions made by services to the Pension Fund. This principle has been applied to the HRA.

In addition, the HRA has been charged with its share of the pension interest cost and the return on pension assets, and these, together with the change in service costs have been matched by an appropriation to or from the Pension Reserve such that the net outturn on the HRA is not altered by these accounting adjustments.

Note 6 Statement of Movement on the HRA Balance

Notes	2023/24	2024/25
	Net Expenditure	Net Expenditure
	£'000	£'000
Items included in the HRA Comprehensive Income and Expenditure Statement but excluded from the movement on the HRA Balance for the year		
Gain/loss on sales of HRA fixed assets	25,722	15,176
Payments to the government housing receipts pool (funded by a transfer from the Capital Receipts Reserve)	0	0
Revenue Expenditure Funded from Capital Under Statute	(2,620)	(66)
Revaluation changes on non-current assets recognised in I&E	4,169	(213,273)
Adjustment to remuneration chargeable in the year in accordance with statutory requirements (employee leave accrual)	602	(779)
Net charges made for retirement benefits in accordance with IAS19	(8941)	(4,653)
Total	18,932	(203,595)
Amounts not included in the HRA Comprehensive Income and Expenditure Statement but required to be included by statute when determining the Movement on the HRA Balance for the year		
Repayment of debt (transfer to the Capital Adjustment Account)	294	0
Revenue Contribution to Capital Outlay – DRF	0	790
Employers contributions payable to the pension funds and retirement benefits payable direct to pensioners	12526	8,252
Transfer from earmarked Reserves		5,587
Application of capital Grants to finance capital expenditure	73,888	35,664
Total	86,708	50,293
Net additional amount required by statute and non-statutory proper practices to be credited or debited to the HRA Balance for the year	105,640	(153,302)

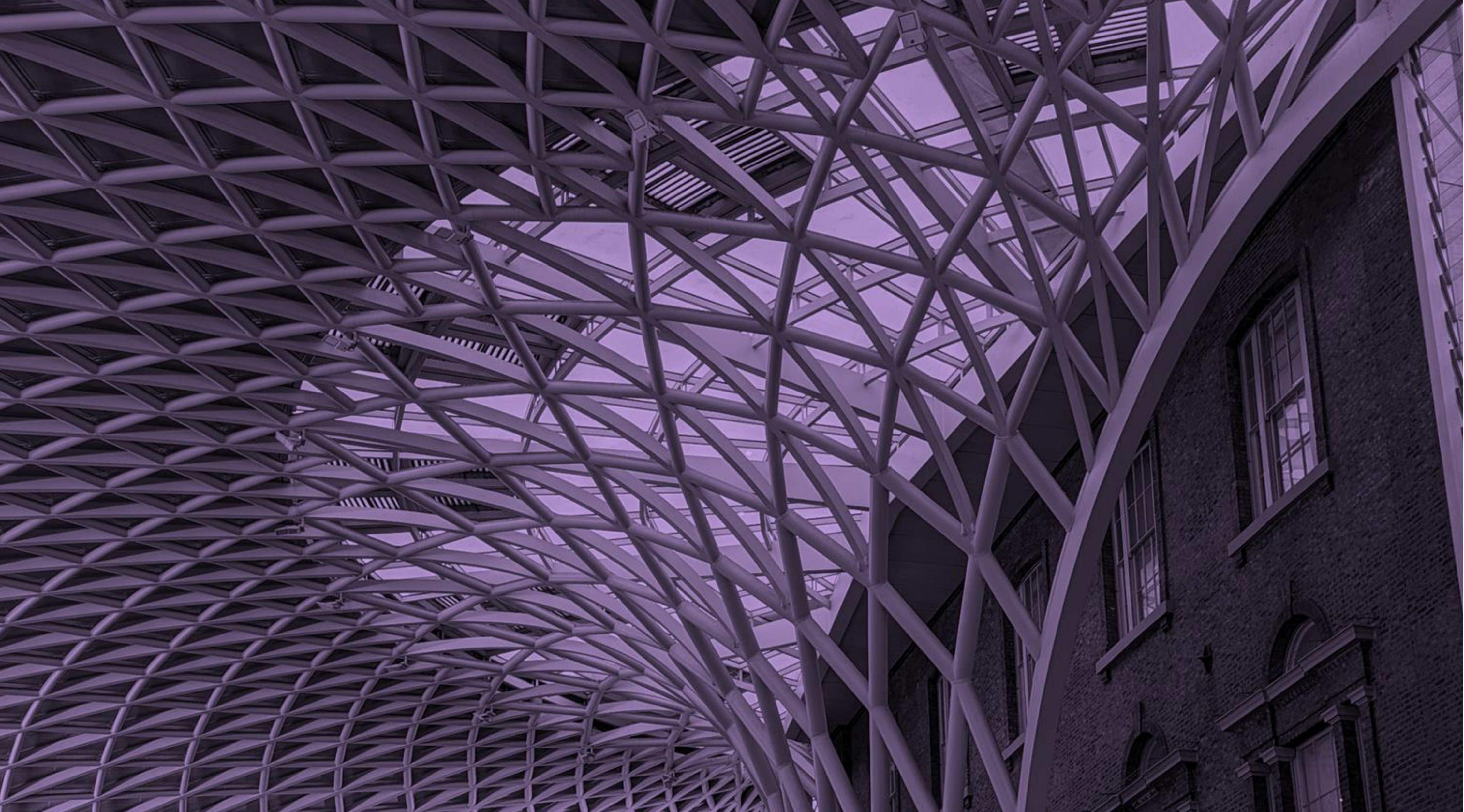
Note 7 HRA Capital Programme

Total capital expenditure on land, houses and other assets within the HRA was £198.7m in 2024/25 (£176.3m in 2023/24). The expenditure was funded from the following resources:

	2023/24	2024/25
	£'000	**£'000**
Capital receipts	35,208	71,715
Major Repairs Reserve	38,269	54,996
Capital grants and contributions	72,284	35,664
Revenue contributions	0	0
Borrowing	30,556	36,361
Total	**176,317**	**198,736**

Capital receipts received during the financial year and repaid to the Government were as follows:

	2023/24	2024/25
	£'000	**£'000**
Capital receipts received	36,097	40,654
Useable by the Council	**36,097**	**40,654**



5.
Collection Fund Accounts

Collection Fund Accounts

The Collection Fund is an agent’s statement that reflects the statutory obligation for billing authorities to maintain a separate Collection Fund.

The 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

Collection Fund Revenue Accounts

2023/24					2024/25			
Council Tax	**NNDR**	**BRS**	**Total**	**Income and Expenditure Account**	**Council Tax**	**NNDR**	**BRS**	**Total**
£'000	**£'000**	**£'000**	**£'000**		**£'000**	**£'000**	**£'000**	**£'000**
				Income				
(175,148)	(559,878)	(18,981)	**(754,007)**	Income collectable from taxpayers	(186,888)	(618,767)	(20,135)	**(825,790)**
			0	Discretionary reliefs	(160)			**(160)**
(175,148)	**(559,878)**	**(18,981)**	**(754,007)**	**Total Income**	**(187,048)**	**(618,767)**	**(20,135)**	**(825,950)**
				Expenditure				
				Precepts & Council demand				
135,715	170,611		**306,326**	LB Camden	141,131	185,466		**326,597**
40,181	210,421	18,186	**268,788**	Greater London Authority (GLA)	43,216	228,741	18,673	**290,630**
	187,672		**187,672**	Central Government		204,012		**204,012**
	(5,116)		**(5,116)**	Transitional protection payments to CLG		(6,460)		**(6,460)**
				Contribution for prior year's (Deficit)/Surplus:				
(1,380)	33,981		**32,601**	LB Camden	(2,138)	(16,986)		**(19,125)**
(339)	41,911	(1,538)	**40,034**	Greater London Authority	(633)	(20,950)	(303)	**(21,886)**
	37,380		**37,380**	Central Government		(18,685)		**(18,685)**
				Charges to the Fund				
	1,233	32	**1,265**	Cost of collection allowance		1,212	32	**1,244**
2,646	1,246		**3,892**	Allowance for impairment	1,023	(7,038)		**(6,015)**
	16,496		**16,496**	Write-offs		1,008		**1,008**
	(35,724)		**(35,724)**	Provision for appeals		28,414		**28,414**
176,823	**660,111**	**16,680**	**853,614**	**Total Expenditure**	**182,598**	**578,735**	**18,402**	**779,734**
1,675	**100,233**	**(2,301)**	**99,607**	**Deficit/(Surplus) In-year**	**(4,451)**	**(40,032)**	**(1,733)**	**(46,216)**

Collection Fund Revenue Accounts (continued)

2023/24								2024/25
Council Tax	**NNDR**	**BRS**	**Total**	**Income and Expenditure Account**	**Council Tax**	**NNDR**	**BRS**	**Total**
£'000	**£'000**	**£'000**	**£'000**		**£'000**	**£'000**	**£'000**	**£'000**
				Movement on Balances				
(6,377)	(30,014)	1,434	**(34,957)**	Deficit/(Surplus) at 1 April	(4,702)	70,219	(867)	**64,650**
1,675	100,233	(2,301)	**99,607**	Deficit/(Surplus) In-year	(4,451)	(40,032)	(1,733)	**(46,216)**
(4,702)	**70,219**	**(867)**	**64,650**	**Deficit/(Surplus) at 31 March**	**(9,153)**	**30,187**	**(2,600)**	**18,434**
				Deficit/(Surplus) allocation at 31 March				
(3,606)	21,473		**17,867**	London Borough of Camden	(7,021)	9,463		**2,443**
(1,096)	26,159	(867)	**24,196**	Greater London Authority	(2,132)	11,347	(2,600)	**6,614**
	22,587		**22,587**	Central Government		9,377		**9,377**
(4,702)	**70,219**	**(867)**	**64,650**	**Total Deficit/(Surplus) at 31 March**	**(9,153)**	**30,187**	**(2,600)**	**18,434**

Note 1 General

The Collection Fund was established on 1 April 1990 under the provisions of the Local Government Finance Act 1988. It accounts for all transactions on council tax, business rates and residual community charge. As an agency account it is kept separate from the Council's Comprehensive Income and Expenditure Statement, although Camden's shares of the income and balances are bought into the CIES and forms part of the Balance Sheet.

Note 2 Council Tax

The Council Tax is a property-based tax with a system of personal discounts, based upon the nature and degree of occupation of the property concerned. For the purpose of assessing the tax, all domestic properties were valued by the Valuation Office Agency and placed in one of eight bands (A to H), depending upon the estimated market value at 1 April 1991. The total value is known as the Tax Base and expressed as a Band D equivalent.

Note 3 Council Demand

The Council's demand on the Collection Fund for council tax represents the balance of spending for the year to be met from council tax, together with any deficit or surplus met in that year in respect of community charge.

Regulations prescribe that any surplus or deficit in respect of council tax items in the Collection Fund is to be split between the Council and major preceptors. These adjustments are determined at the time of tax setting and included in the precepts and Council demand.

Note 4 Council Tax Bands

Band	Fraction 2024/25	Tax base for tax setting
A	6/9	1,434
B	7/9	5,106
C	8/9	10,983
D	9/9	17,454
E	11/9	17,496
F	13/9	14,424
G	15/9	18,555
H	18/9	9,034
		94,486
Allowance for non-collection and Armed Forces		(2,811)
Tax Base		**91,675**

By law, the tax for each band is set as a fraction of the band D charge. The Band D Council Tax for 2023/24 for Camden and the GLA is:

	2023/24	2024/25
Preceptor	**£**	**£**
Camden	1,466.02	1,539.17
Greater London Authority	434.14	471.40
Total	**1,900.16**	**2,010.57**

Note 5 Council Tax – Uncollectable amounts

The in-year collection rate was set at 95% for 2024/25 (95% for 2023/24). The actual amount collected by the 31 March 2025 was 94.9% up from 94.1% for 2023/24. Outstanding debt will continue to be chased in future years.   The provision to cover bad debts stood at £22.3m on 31 March 2025 (£22.1m at 31 March 2024). This represents 77% of the outstanding arrears (67% on 31 March 2024).

Note 6 Collection of National Non-Domestic Rates

Under the arrangements for National Non-Domestic Rates (NNDR) the Council collects business rates for its area, which are based on local rateable values and a multiplier set by the Government.

The non-domestic rating multiplier set by the Government for 2024/25 was 54.6p (51.2p in 2023/24) and 49.9p for small business (unchanged from 2023/24). Local businesses pay business rates calculated by multiplying their rateable value by these rates and subject to certain reliefs and deductions and the total amount collectable is distributed between the Government, Greater London Authority and the London Borough of Camden.

At 31 March 2025, the non-domestic rateable value of the borough was £1,552.3m (£1,563.5m, 31 March 2024). The actual in-year collection rate was 96.9%, up from 96.7% in 2023/24 and just below the target set at the beginning of the year of 97%. The level of provision held for non-collection of debt stands at £19.2m and represents 48% of all debt outstanding, a decrease of £12.3m from 2023/24.

Income due from business ratepayers**:**

	2023/24	2024/25
	£'000	**£'000**
Non-domestic rate charge	741,935	809,779
Supplement & Reliefs	(181,475)	(188,867)
Income due from business ratepayers	**560,460**	**620,912**

Note 7 Business Rate Supplement

Since 2010/11, Camden has been collecting an additional levy from non-domestic business rate payers, under the statutory arrangements of the Business Rates Supplement Act 2009, on behalf of the Greater London Authority to fund the Crossrail project. The levy set for 2024/25 was 2p on non-domestic properties with a rateable value of over £75,000 in London.

6.

Pension Fund Accounts

Pension Funds Accounts

Pension Fund Explanatory Forward

Introduction

Camden Council is the Administering Authority for the London Borough of Camden Pension Fund. The Fund, which is part of the Local Government Pension Scheme (LGPS), provides retirement pensions and other benefits for former employees of the Council and other admitted organisations.

The overall investment strategy of the Fund is delegated by the Council to its Pension Committee which is comprised of eight councillors supported by the Executive Director Corporate Services.

Pension Committee meetings are held quarterly and the details of the meetings, including agendas, minutes and regular reports on the Fund's performance can be found through the Pension Committee website: http://democracy.camden.gov.uk/ieListMeetings.aspx?CommitteeId=652

Investment management arrangements

The day-to-day management of the Fund's investments is carried out by professional fund managers appointed by the Council. As at 31 March 2025 there were 10 managers investing on behalf of the Fund:

- Aviva plc (via London LGPS CIV Ltd)
- Baillie Gifford & Co (via London LGPS CIV Ltd)
- CB Richard Ellis Global Investment Partners Ltd
- CQS (UK) LLP (via London LGPS CIV Ltd)
- HarbourVest Partners LLP
- Harris Associates LP
- Legal & General Investment Management Ltd
- Partners Group Management II S.A.R.L.
- PIMCO Europe Limited (via London LGPS CIV Ltd)
- Stepstone Group LP (via London LGPS CIV Ltd)

The Council has placed some of the Pension Fund assets under management with London LGPS CIV Ltd (LCIV), the organisation set up in 2015 by London Local Authorities to run pooled LGPS investments in London.

The London LGPS CIV Ltd is authorised and regulated by the Financial Conduct Authority and represents the pooled investments of 32 Local Authority Pension Funds. The London Borough of Camden Pension Fund holds investments in the LCIV Multi Asset Credit Fund (underlying managers CQS (UK) LLP and PIMCO Europe Limited), the LCIV Diversified Growth Fund (underlying manager Baillie Gifford & Co), the LCIV Real Estate Long Income Fund (underlying manager Aviva plc), the LCIV Infrastructure Fund (underlying manager Stepstone Group LP), the LCIV Global Alpha Growth Paris-Aligned Fund (underlying manager Baillie Gifford) and, since April 2024, the LCIV UK Housing Fund.

Each fund manager operates within mandated investment management agreements and targets determined by the Council's Pension Committee.

In 2024/25, the Pension Committee received advice from the Council's Executive Director Corporate Services, the Borough Solicitor and other Camden officers as well as the fund managers and the following professional consultants:

- Hymans Robertson LLP (Actuarial & Benefit Services)
- Isio Group Limited (Investment Consultants)
- Karen Shackleton (Independent Investment Advisor)
- Pensions & Investment Research Consultants Limited (PIRC) (Corporate Governance Services)

LGPS Regulations require that the members of the Pension Committee and appointed fund managers should pay regard to the need to diversify investments and also to the suitability of particular investments. The Fund's Investment Strategy Statement and Funding Strategy Statement are contained in the Annual Report on the Pension Fund website.

The market value of the assets (including cash & income receivable) held by the fund managers, the custodian and the Council as at 31 March 2025 is as follows:

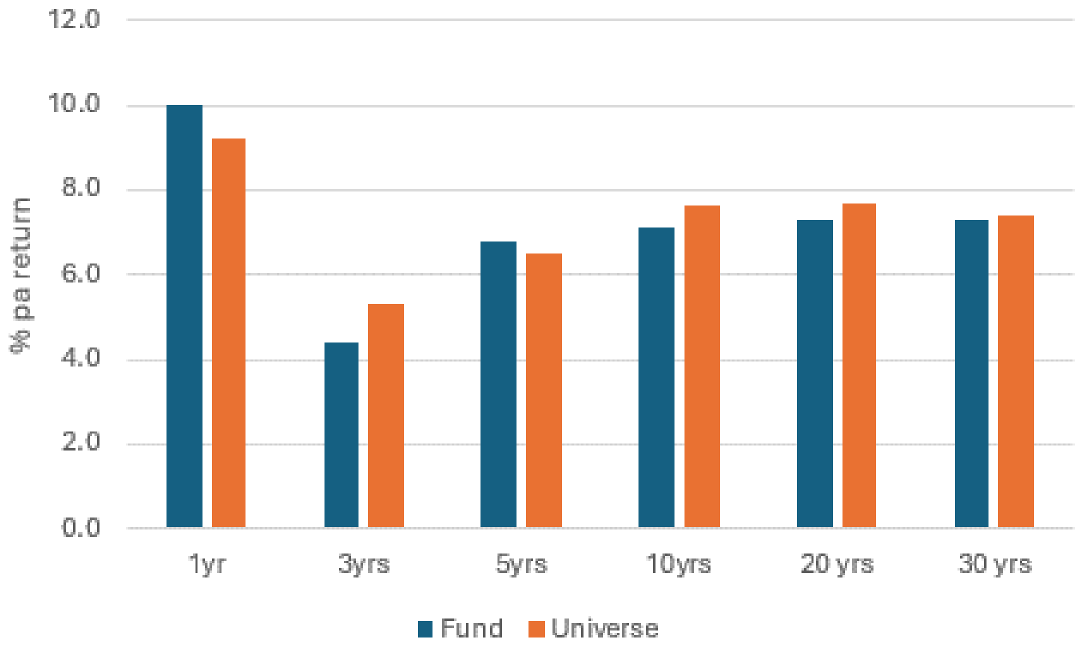
	2023/24	2024/25
	£'000	**£'000**
CB Richard Ellis Collective Investors Ltd		
- Property	84,084	94,589
- Cash	9,530	4,324
- Amounts payable for purchases	0	0
- Income receivable	93	74
	93,707	**98,987**
HarbourVest		
- Pooled investment vehicles - private equity	47,645	41,800
	47,645	**41,800**
Harris Associates L.P.		
- UK equities	6,984	7,260
- Overseas equities	93,087	95,317
- Derivative contracts: forward FX assets	0	0
- Income receivable	2,503	2,533
- Cash	3,001	3,815
- Amounts receivable from sales	86	
- Derivative contracts: forward FX liabilities	0	0
- Amounts payable for purchases	0	0
	105,661	**108,925**
Legal & General Assurance Ltd		
- Pooled investment vehicles - index linked securities	149,709	134,067
- Pooled investment vehicles - global equities	824,862	866,461
	974,571	**1,000,528**

	2023/24	2024/25
	£'000	**£'000**
London CIV Ltd (Baillie Gifford)		
- Pooled investment vehicles - diversified growth	88,136	97,378
- Pooled investment vehicles - global equities	222,872	155,984
	311,008	**253,362**
London CIV Ltd (UK Housing Fund)		
- Property	0	42,233
	0	**42,233**
London CIV Ltd (CQS & PIMCO)		
-Pooled investment vehicles - fixed interest	224,543	337,958
	224,543	**337,958**
London CIV Ltd (Stepstone)		
- Pooled investment vehicles - infrastructure	78,084	123,894
	78,084	**123,894**
London CIV Ltd (Aviva)		
- Pooled investment vehicles - property	75,191	68,525
	75,191	**68,525**
Partners Group (UK) Ltd		
- Pooled investment vehicles – global property	87,508	55,002
	87,508	**55,002**
JPM Custodian		
- Cash and cash equivalents	65,741	17,183
- Income receivable	1,346	1,195
	67,087	**18,378**
London Borough of Camden Council		
- UK unquoted equity	150	150
	150	**150**
Total Market Value	**1,925,670**	**2,149,742**

Investment returns

The diagram below provides a comparison between the performance of the Camden fund and that of the average of other funds participating in benchmarking exercised for each year over this period. It shows the time-weighted return on investments for each period relative to the average. The comparative information is provided by Pensions and Investment Research Consultants Ltd (PIRC).

In the latest year the investments of the Camden Pension Fund have delivered a return of 3.4% which performed in the 52nd percentile (100th means worst performing, and 1st the best). The Fund has delivered a net return of 6.5% per annum over the last 10 years. It is well ahead of its peers over the last 5 years but continues to trail over the longest term.



Pension Fund Account

	Notes	2023/24	2024/25
		£'000	£'000
Dealings with members, employers and others directly involved in the Fund			
Employer contributions	6	(64,737)	(67,303)
Employee contributions	6	(15,186)	(16,626)
Individual transfers in from other pension funds		(4,296)	(8,403)
		(84,219)	**(92,332)**
Benefits			
Retirement pensions	7	60,086	65,018
Commutation of pensions, lump sum retirement and death benefits	7	9,998	11,812
Payments in respect of tax		54	100
Payments to and on account of leavers	8	12,064	6,147
		82,202	**83,077**
Net (additions)/withdrawals from dealings with members		**(2,017)**	**(9,255)**
Management expenses	9	17,658	15,551
Net (additions)/withdrawals including fund management expenses		**15,641**	**6,296**
Returns on investments			
Investment income	10	(34,669)	(40,533)
Tax deducted from investment income		316	144
		(34,353)	**(40,389)**
Profit and loss on disposal of investments and changes in the market value of investments	13	(172,134)	(43,164)
Net returns on investments		**(206,487)**	**(83,553)**
Net (increase)/decrease in the net assets available for benefits during the year		**(190,846)**	**(77,257)**
Opening net assets of the Fund		**(1,903,008)**	**(2,093,854)**
Closing net assets of the Fund		**(2,093,854)**	**(2,171,111)**

Pension Fund Net Assets Statement

		31-Mar-24	31-Mar-25
	Notes	**£'000**	**£'000**
Equities	11,12	100,221	102,727
Pooled funds	11,12	1,632,375	1,715,741
Other investments	11,12	267,594	302,151
Other assets	11,12	97,659	29,123
		2,097,849	**2,149,742**
Investments liabilities	11,13	0	0
Total net Investments		**2,097,849**	**2,149,742**
Current assets	20	2,682	23,501
Current liabilities	21	(6,677)	(2,132)
Net assets of the fund available to fund benefits at the reporting period		**2,093,854**	**2,171,111**

Note 1 Description of the Fund

The London Borough of Camden Pension Fund is part of the Local Government Pension Scheme (LGPS) and is administered by Camden Council.

The following description of the Fund is a summary only. Further detail will be available in the London Borough of Camden Pension Fund Annual Report for 2024/25, which will be published in due course. The Annual Report will include comprehensive information of the Fund's activities, performance and governance, and will be made on the Pension Fund website once finalised.

General

The scheme is governed by the Public Service Pensions Act 2013 and is administered in accordance with the following secondary legislation:

- The Local Government Pension Scheme Regulations 2013 (as amended)
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendments) Regulations 2014 (as amended)
- The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.

The London Borough of Camden Pension Fund operates as a contributory defined benefit scheme and provides retirement pensions and other benefits for former employees of the Council and other admitted organisations.

The overall investment strategy is the responsibility of the Council as the administering authority of the Fund. This responsibility is delegated to the Council's Pension Committee, taking account of the advice of the Executive Director Corporate Services. The Pension Committee meets quarterly. In line with the provisions of the Public Services Pensions Act 2013, the Council has also set up a Local Pension Board to assist the Council in its role as scheme manager of the Pension Fund. The Board meets on a quarterly basis and has its own terms of reference. Board members are independent of the Pension Committee.

The Executive Director Corporate Services is responsible for the preparation of the Pension Fund Statement of Accounts.

Membership

All employees automatically become members of the Fund on appointment with London Borough of Camden or a participating scheduled or admitted body. Membership of the LGPS is however voluntary and employees can choose whether to remain in the scheme or make their own personal arrangements outside the scheme.

Total membership of the Fund at 31 March 2025 was 23,580 (31 March 2024: 23,032):

	31-Mar-24	31-Mar-25
Active employees	5,822	6,128
Members with deferred benefits	6,814	7,002
Pensioners & dependents pensions	7,784	8,022
Leavers with benefit calculation pending	697	443
Frozen refunds	1,915	1,985
Total	**23,032**	**23,580**

Organisations participating in the Fund include:

- Scheduled bodies, local authorities and similar bodies whose staff are automatically entitled to be members of the Fund.

- Admitted bodies, other organisations that participate in the Fund under an admission agreement between the fund and the relevant organisation. Admitted bodies include voluntary, charitable and similar bodies, or private contractors undertaking a local authority function following outsourcing to the private sector.

The Admitted and Scheduled bodies which made contributions to the Fund in 2024/25 were as follows:

Admitted bodies	Scheduled bodies
Abbey Road Housing Co-operative	Abacus Belsize School
Agar Grove Housing Co-operative	Children’s Hospital School
Age UK Camden	King’s Cross Academy
Camden Citizens Advice Bureau	St Luke's School
Caterlink Limited	UCL Academy
CleanTEC Services Limited	The ArtsXchange
Coram Family and Childcare	
Greenwich Leisure Limited	
Home Connections Limited	
LGIU	
MiHomecare Limited	
MITIE PFI	
National Association for Local Councils	
NSL Limited	
Pendergate (Ridgecrest) Cleaning	
Veolia	
Voluntary Action Camden	
Westminster Society - Central	
Westminster Society - North	

Funding

Benefits are funded by contributions and investment earnings. Contributions are made by active members of the Fund in accordance with the LGPS Regulations 2013 and range from 5.5% to 12.5% of pensionable pay for the year ended 31 March 2025. Employers’ contributions are set based on triennial actuarial funding valuations. The latest completed actuarial valuation of the Fund was carried out by Hymans Robertson LLP as at 31 March 2022. For the 2024/25 financial year, primary employer contribution rates ranged from 19.4% to 45.1% of pensionable pay and there were additional deficit recovery contributions where appropriate.

Benefits

Prior to 1 April 2014, pension benefits under the LGPS were based on final pensionable pay and length of pensionable service. From 1 April 2014, the scheme became a career average scheme and benefits payable are based on career average revalued pay and the number of years of eligible service. Pensions are increased annually in line with the Consumer Prices Index.

Pension benefits under the LGPS based on pensionable pay and length of service up until 31 March 2024 are summarised below:

	Pension	**Lump Sum**
Service Pre-1 April 2008	Each year worked is worth 1/80 x final pensionable salary.	Automatic lump sum of 3 x salary. In addition, part of the annual pension can be exchanged for a one-off tax-free cash payment (known as a commutation). A lump sum of £12 is paid for each £1 of pension given up.
Service Post 31 March 2008 – 31 March 2014	Each year worked is worth 1/60 x final pensionable salary.	No automatic lump sum. Part of the annual pension can be exchanged for a one-off tax-free cash payment (known as a commutation). A lump sum of £12 is paid for each £1 of pension given up.
Service Post 31 March 2014	Each year worked is worth 1/49 x pensionable earnings of that year (career average). Benefits are held in a pension account and revalued each year in-line with inflation.	Members of the LGPS before April 2008 have built up benefits which will include an automatic lump sum. In the new scheme eligible members are still entitled to the aforementioned benefit but can also exchange some pension for a tax-free cash lump sum (known as a commutation). Every £1 of pension sacrificed is equivalent to £12 of tax-free lump sum (subject to HM Revenue & Customs limits).

There are a range of other benefits provided under the scheme including early retirement, disability pension and death benefits. For more details, please refer to https://www.lgpsmember.org/

Note 2 Basis of preparation of financial statements

The Statement of Accounts summarises the Fund's transactions for the 2024/25 financial year and its financial position at 31 March 2025. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code), issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) which is based upon International Financial Reporting Standards (IFRS) as amended for the UK public sector.

The accounts summarise the transactions of the Fund and report on the net assets available to pay pension benefits. The accounts do not take account of obligations to pay pensions and benefits which fall due after the end of the financial year, nor do they take into account the actuarial present value of promised retirement benefits. The Code gives administering authorities the option to disclose this information in the Net Assets Statement, in the notes to the accounts or by appending an actuarial report prepared for this purpose. The Fund has opted to disclose this information in note 19.

The Pension Fund's Statement of Accounts have been prepared on a going concern basis with the assumption that the functions of the Pension Fund will continue in operational existence for the foreseeable future.

Accounting Standards issued but not adopted

Under the Code, we must disclose new standards that are issued but not yet adopted. As at 31 March 2025, the following have been published but not yet applied and are not expected to have a material impact on the Fund's 2024/25 accounts:

a) Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
b) Noncurrent Liabilities with Covenants (Amendments to IAS 1)
c) Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
d) International Tax Reform: Pillar Two Model Rules (Amendments to IAS 12)
e) Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
f) Lack of Exchangeability (Amendment to IAS 21)
g) Amendments to Classification and Measurement of Financial Instruments (IFRS 9/7)
h) IFRS 18 Presentation and Disclosure in Financial Statements
i) IFRS 19 Subsidiaries without Public Accountability: Disclosures

Note 3 Summary of significant accounting policies

Fund Account – Revenue Recognition

a) Contribution Income

Employer contributions are accounted for on an accruals basis in the payroll month to which they relate, using the rates specified in the actuarial valuation rates and adjustments certificate. Employee contributions are similarly accounted for on an accruals basis at centrally set rates in accordance with the LGPS Regulations.

Employer deficit recovery contributions are recognised on the due dates set in the actuary's schedule or earlier if received.

Pension strain and augmentation contributions are accounted for in the period in which the liability arises. Contributions due but unpaid at year-end are treated as current financial assets in the Net Assets Statement.

b) Transfers To and From Other Schemes

Transfer values for individual members are recognised when received or paid, as this reflects the point when liabilities are accepted or discharged. Bulk transfers are accounted for on an accruals basis in line with the terms of the transfer agreement.

c) Investment Income

Dividend income is recognised on the date stocks are quoted ex-dividend. Pooled fund distributions are recognised at the date of issue. Any amounts due but not received by year-end are reported as current financial assets.
Interest income is accrued using the effective interest rate method. Changes in market value of investments — both realised and unrealised — are recognised in the Fund Account as income or expenditure.

Fund Account – Expense Items

d) Benefits Payable

Benefits are accounted for on an accruals basis. Lump sum retirement grants are recognised on the retirement date. Where members opt to commute pension to a lump sum, this is also recognised from the date the option is exercised. Unpaid benefits are shown as current liabilities in the Net Assets Statement.

e) Taxation

The Fund is a registered public service scheme under the Finance Act 2004 and is exempt from UK income and capital gains tax. Withholding tax on overseas income is accounted for as it arises. VAT incurred on Fund activities is recoverable.

Where the Fund pays tax liabilities (e.g., annual or lifetime allowance charges) on behalf of members, these are accounted for as expenses in the Fund Account when paid.

f) Management Expenses

Management expenses are accounted for on an accruals basis. Fund manager and custodian fees are generally calculated as a percentage of the market value of investments. Where investment fees are deducted at source (e.g. within pooled vehicles), this is reflected in the change in market value of investments.

Expenses are disclosed in accordance with CIPFA's 2016 guidance Accounting for LGPS Management Expenses. Administration costs are charged to the Fund by both the administering authority (London Borough of Camden) and the Pensions Shared Service.

Net Assets Statement

g) Financial Assets

Financial assets are recognised on the date the Fund becomes party to the contractual provisions and are measured at fair value or amortised cost. Fair value is determined in accordance with IFRS 13. The Fund uses PRAG/IA 2016 guidelines for fair value hierarchy classification.

Valuations are sourced from the custodian (JP Morgan) at bid prices. Unquoted assets are valued using latest available manager reports adjusted for any material post-reporting date cash flows.

h) Foreign Currency Transactions

All transactions are recorded at spot exchange rates at transaction dates. Foreign currency balances at year-end are translated using closing rates. Exchange gains and losses are included in the change in market value.

i) Derivatives

Forward foreign exchange contracts used for currency risk management are valued by comparing contract rates with current forward prices to determine gain/loss. The Fund does not hold speculative derivatives.

j) Cash and Cash Equivalents

Cash includes demand deposits and manager-held cash. Equivalents are short-term, highly liquid investments subject to minimal risk of value changes.

k) Financial Liabilities

Financial liabilities are recognised when the Fund is obligated to settle and measured at fair value or amortised cost. Liabilities in foreign currencies are retranslated at year-end rates.

l) Actuarial Present Value of Promised Retirement Benefits

Assessed annually in accordance with IAS 19 by the Fund’s actuary. The Fund discloses this value as a note (Note 19), not in the Net Assets Statement.

m) Additional Voluntary Contributions (AVCs)

AVCs are invested separately with Prudential and Phoenix Life. They are not included in the Fund accounts but are disclosed in Note 22, per Regulation 4(1)(b) of the LGPS (Management and Investment of Funds) Regulations 2016.

Note 4 Critical judgements in applying accounting policies

It has not been necessary to make any critical judgements in applying the accounting policies in 2024/25.

Note 5 Assumptions made about the future and other major sources of uncertainty

The preparation of the Statement of Accounts involves making judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for the income and expenditure during the year. Estimates and assumptions are made taking into account historical experience, current trends and other relevant factors. However, the nature of estimation means that the actual outcomes could differ from the assumptions and estimates.

There are no items in the net assets statement for which there is a significant risk of material adjustment in the forthcoming financial year.

Note 6 Contributions receivable

Employee contributions are calculated on a sliding scale based on a percentage of their pensionable pay. The Council and Scheduled and Admitted bodies are required to make contributions determined by the Fund's actuary to maintain the solvency of the Fund.

	2023/24	2024/25
	£'000	**£'000**
By category		
Employer contributions:		
Normal	(43,653)	(48,311)
Deficit recovery	(20,548)	(17,995)
Augmentation	(536)	(997)
	(64,737)	**(67,303)**
Employee contributions	(15,186)	(16,626)
Total	**(79,923)**	**(83,929)**

	2023/24	2024/25
	£'000	**£'000**
By type of employer		
Administering authority	(77,725)	(79,577)
Scheduled bodies	(652)	(3,400)
Admitted bodies	(1,546)	(952)
Total	**(79,923)**	**(83,929)**

Augmentations are pension strain contributions from employers to make up for funding shortfall following early retirement or ill health retirement.

Note 7 Benefits Payable

	2023/24	2024/25
	£'000	**£'000**
By category		
Pensions	60,086	65,018
Commutation of pensions and lump sum retirement benefits	8,634	10,630
Lump sum death benefits	1,364	1,182
Total	**70,084**	**76,830**

	2023/24	2024/25
	£'000	**£'000**
By type of employer		
Administering authority	62,281	68,276
Scheduled bodies	376	412
Admitted bodies	7,427	8,142
Total	**70,084**	**76,830**

Note 8 Payments to and on account of leavers

	2023/24	2024/25
	£'000	**£'000**
Refunds to members leaving service	194	225
Group transfers	0	0
Individual transfers	11,870	5,922
Total	**12,064**	**6,147**

Note 9a Management Expenses

	2023/24	2024/25
	£'000	**£'000**
Administrative costs	900	922
Oversight and governance costs	295	287
Investment management expenses	16,463	14,342
Total	**17,658**	**15,551**

Investment management expenses have been grossed up to include fees of £13m deducted from fund assets at source in line with the CIPFA guidance *Accounting for LGPS Management Expenses (2016)*. This adjustment has an equal impact on investment management expenses and the change in market value of investments. There is no impact on the overall net assets of the Fund.

Administrative and oversight and governance costs can be further broken down as follows:

Administrative Costs

	2023/24	2024/25
	£'000	**£'000**
Pensions administration fees	533	544
Systems management	208	-
Council officers' salaries recharge	159	378
Total	**900**	**922**

Oversight and Governance Costs

	2023/24	2024/25
	£'000	**£'000**
Actuarial advice	66	65
Investment consultancy	92	61
External audit fees	70	84
External audit fees – prior year	19	-
Corporate governance	49	68
Other	- 6	3
Performance measurement	6	6
Total	**295**	**287**

Regulations permit the Council to charge administrative costs to the scheme. A proportion of relevant Council officers' salaries, including on-costs, have been charged to the Fund on the basis of time estimated to have been spent on scheme administration and investment related business.

Included in oversight and governance costs is the external audit fee for 2024/25 of £83,937 (2023/24: £69,572).

Note 9b Investment Management Expenses

	2023/24	2024/25
	£'000	**£'000**
Management fees	6,749	5,841
Performance related fees	1,123	1,015
Investment administration fees	3,493	3,009
Transaction costs	2,816	2,208
Property expenses	966	966
Other costs	1,284	1,277
Custody fees	32	26
Total	**16,463**	**14,342**

Transaction costs are incremental costs that are directly attributable to the acquisition or disposal of an investment financial asset or liability. An incremental cost is one that would not have been incurred if the Fund had not acquired or disposed of the financial instrument. Transaction costs include fees and commissions paid to agents, advisers, brokers and dealers, anti-dilution levies, levies by regulatory agencies and securities exchanges and transfer taxes and duties.

Note 10 Investment income

	2023/24	2024/25
	£'000	**£'000**
Dividends from UK equities	(309)	(256)
Dividends from overseas equities	(3,963)	(1,847)
Income from pooled property investments	(2,581)	(3,524)
Income from other pooled investment vehicles	(25,503)	(32,939)
Income from cash deposits	(2,313)	(1,967)
Total income before taxes	**(34,669)**	**(40,533)**

Note 11 Investments

	31/03/2024	31/03/2025
	£'000	**£'000**
Equities (UK)		
Quoted	6,984	7,260
Unquoted	150	150
Equities (Overseas)		
Quoted	93,087	95,317
	100,221	**102,727**
Pooled investment vehicles (UK)		
Fixed income	313,396	337,958
Public sector index linked	149,709	134,067
Diversified growth funds	90,996	97,378
Property	152,656	205,347
Infrastructure	95,816	123,894
	802,573	**898,644**

	31/03/2024	31/03/2025
	£'000	**£'000**
Overseas		
Equities	982,458	1,022,445
Property	67,293	55,002
Private equity	47,645	41,801
	1,097,396	**1,119,248**
Other assets		
Forward currency contracts	-	-
Cash and cash equivalents	93,824	25,322
Investment income due	3,749	3,801
Amounts receivable from sales	86	-
	97,659	**29,123**
Total investment assets	**2,097,849**	**2,149,742**
Other liabilities		
Forward currency contracts	-	-
Amounts payable for purchases	-	-
Total investment liabilities	-	-
Net investment assets	**2,097,849**	**2,149,742**

Note 12 Fund Manager Valuations

Fund manager/custodian	31-Mar-24		31-Mar-25	
	£'000	%	£'000	%
Managed within LCIV regional asset pool:				
Baillie Gifford & Co (London CIV)	248,592	11.90%	253,362	11.79%
CQS & PIMCO (London CIV)	313,396	14.90%	337,958	15.72%
Stepstone (London CIV)	95,816	4.60%	123,894	5.76%
Aviva (London CIV)	68,105	3.20%	68,525	3.19%
London CIV (UK Housing Fund)	11,149	0.50%	42,233	1.96%
	737,058	35.10%	825,972	38.42%
Managed outside regional asset pool:				
Legal & General	974,571	46.50%	1,000,528	46.54%
Harris Associates	105,661	5.00%	108,925	5.07%
CBRE	93,707	4.50%	98,987	4.60%
Partners Group	67,293	3.20%	55,002	2.56%
HarbourVest	47,645	2.30%	41,800	1.94%
Council*	150	0.00%	150	0.01%
JP Morgan custodian cash account	71,764	3.40%	18,378	0.85%
	1,360,791	64.90%	1,323,770	61.58%
	2,097,849	**100%**	**2,149,742**	**100%**

Note 13 Reconciliation of Movements in Investments

	31-Mar-24	Purchases and derivative payments	Sales and derivative receipts	Realised gains and (losses)	Unrealised gains and (losses)	Change in Market Value	31-Mar-25
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Pooled investment vehicles:							
- Fixed interest securities	313,396	23,369			1,193	1,193	337,958
- Index linked securities	149,709				-15,642	-15,642	134,067
- Global equities	982,541	682	0	0	39,222	39,222	1,022,445
- Private equity	47,645	1337	-7,649	6,312	-5,844	468	41,801
- Property	219,949	52,620	-5,314	-622	-6,283	-6,905	260,350
- Diversified growth fund	90,996	2,551			3,831	3,831	97,378
- Infrastructure	95,816	21,042			7,035	7,035	123,893
	1,900,052	**101,601**	**-12,963**	**5,690**	**23,512**	**29,202**	**2,017,892**
Directly owned assets:							
UK equities	7,134	4,294	-825	47	-3,240	-3,193	7,410
Overseas equities	93,087	52,327	-54,415	11,597	-7,280	4,317	95,316
	100,221	**56,621**	**-55,240**	**11,644**	**-10,520**	**1,124**	**102,726**
Derivatives – forward currency contracts	0	6	0	(6)	0	(6)	0
Total	**2,000,273**	**158,228**	**-68,203**	**17,328**	**12,992**	**30,320**	**2,120,618**
Cash and cash equivalents	93,824					-167	25,322
Amounts receivable for sales of investments	3					21	0
Investment income due	3,749						3,801
Amounts payable for investment purchases	0					-13	0
Gross up of fees deducted at source						13,003	
Net investment assets	**2,097,849**					**43,164**	**2,149,741**

Note 14 Analysis of Derivatives

Settlement	Currency bought	Local Value	Currency sold	Local Value	Asset Value	Liability Value
					£'000	£'000
Open forward currency contracts at 31 March 2025					0	0
Net forward currency contracts at 31 March 2025						0
2024/25 Comparator						
Up to one month	USD	81	EUR	(75)		0
Up to one month	USD	27	EUR	(25)	0	
Open forward currency contracts at 31 March 2024					0	0
Net forward currency contracts at 31 March 2024						0

Note 15a Fair Value – Basis of Valuation

The valuation of financial instruments has been classified into three levels according to the quality and reliability of information used to determine fair values.

Level 1

Financial instruments at Level 1 are those where the fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities. Products classified as Level 1 comprise quoted equities, quoted fixed interest securities, quoted index linked securities and unit trusts. Listed investments are shown at bid prices. The bid value of the investment is based on the bid market quotation of the relevant stock exchange.

Level 2

Financial instruments at Level 2 are those where quoted market prices are not available, for example, where an instrument is traded in a market that is not considered to be active, or where valuation techniques are used to determine fair value, and these techniques use inputs that are based significantly on observable market data. This includes NAV based pricing for units held in unquoted pooled funds.

Level 3

Financial instruments at Level 3 are those where at least one input that could have a significant effect on the instrument’s valuation is not based on observable market data. Such instruments would include unquoted equity investments and hedge fund of funds which are valued using various valuation techniques that require significant judgement in determining appropriate assumptions.

The valuation basis for each category of investment asset is set out below:

Description of asset	Valuation hierarchy	Basis of valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Market quoted investments- equities and bonds	Level 1	Published bid market price at end of the accounting period	Not required	Not required
Cash	Level 1	Carrying value is deemed to be fair value	Not required	Not required
Investment receivables and payables	Level 1	Carrying value is deemed to be fair value because of the short-term nature of these financial instruments	Not required	Not required
Cash equivalents	Level 1	Closing bid price where bid and offer prices are published; closing single price where single price published	NAV per share	Not required
Pooled funds – alternative assets and passive equities	Level 2	Closing bid price where bid and offer prices are published; closing single price where single price published	NAV based pricing set on a forward pricing basis.	Not required
Pooled funds - private equity	Level 3	Most recent independent valuation, or based on financial models such as discounted cash flow (DCF) or internal rate of return (IRR), as applicable	Observable: NAV from fund managers (if available), comparable transactions in the market. Unobservable: Discount rates, projected cash flows, assumptions on exit multiples, fund-specific adjustments.	Not required
Pooled funds - property and infrastructure	Level 3	Valued based on independent third-party appraisals using income capitalisation, discounted cash flow models, or recent market transactions, adjusted for fund-level considerations	Observable: Market rental yields, transaction prices for similar properties/assets. Unobservable: Future cash flow projections, discount rates, asset-specific risk adjustments, long-term inflation assumptions.	Not required

The following tables provide an analysis of the financial assets and liabilities of the Pension Fund as held at the custodian, grouped into Levels 1 to 3 based on the Level at which the fair value is observable.

The Pension Fund is a shareholder in London LGPS CIV Limited (the organisation set up to run pooled LGPS investments in London). This unquoted equity holding is carried in the net assets statement at cost of £150,000 and classified as Level 3 in the tables below.

Values at 31 March 2025	**Quoted market price Level 1 £'000**	**Using observable inputs Level 2 £'000**	**With significant unobservable inputs Level 3 £'000**	**Total £'000**
Assets:				
Cash & currencies	5,473	3,815		9,288
Cash equivalents	3,249	-		3,249
Equities	119,088		150	119,238
Pooled funds	159,484	1,491,095	367,387	2,017,966
Receivables				0
Current Assets				0
Total financial assets	**287,294**	**1,494,910**	**367,537**	**2,149,741**
Liabilities:				
Payables				
Current Liabilities	(2,132)			(2,132)
Total financial liabilities	**(2,132)**	**0**	**0**	**(2,132)**
Grand total	**289,426**	**1,494,910**	**367,537**	**2,151,873**

Values at 31 March 2024	Quoted market price Level 1 £'000	Using observable inputs Level 2 £'000	With significant unobservable inputs Level 3 £'000	Total £'000
Assets:				
Cash & currencies	93,824			93,824
Cash equivalents		-		-
Equities	100,071		150	100,221
Pooled funds	591,298	1,029,343	279,328	1,899,969
Receivables	3,835			3,835
Current Assets	2,682			2,682
Total financial assets	**791,710**	**1,029,343**	**279,478**	**2,100,531**
Liabilities:				
Payables	0			0
Current Liabilities	(6,677)			(6,677)
Total financial liabilities	**0**	**0**	**0**	**0**
Grand total	**785,033**	**1,029,343**	**279,478**	**2,093,854**

Level 3 Assets Sensitivity Analysis	Potential Variation in Fair Value (%)	Value as at 31 March 2025 £'000	Potential Value on increase £'000	Potential Value on decrease £'000
Pooled investment vehicles:				
- LCIV UK Housing Fund	13	42,233	47,723	36,743
- LCIV Inflation Plus Fund	8	68,525	74,007	63,043
- LCIV Infrastructure Fund	15	123,894	142,478	105,310
- Equities	20	150	180	120
Directly Owned:				
- Private Equity	26	41,800	52,668	30,932
- Property	21.5	55,002	66,827	43,177
Net Investment Assets at Level 3		**331,604**	**383,883**	**279,325**

Level 3 Assets Sensitivity Analysis	Potential Variation in Fair Value (%)	Value as at 31 March 2024 £'000	Potential Value on increase £'000	Potential Value on decrease £'000
Pooled investment vehicles:				
- LCIV UK Housing Fund	13	467	528	406
- LCIV Inflation Plus Fund	8	68,105	73,553	62,657
- LCIV Infrastructure Fund	15	95,817	110,190	81,444
- Equities	20	150	180	120
Directly Owned:				
- Private Equity	26	47,645	60,033	35,257
- Property	21.5	67,294	81,762	52,826
Net Investment Assets at Level 3		**279,478**	**326,246**	**232,710**

Note 15b Reconciliation of Movements in Level 3 Hierarchy Assets

Level 3 Hierarchy Assets as at March 2024	**31-Mar-24**	**Purchases and derivative payments**	**Sales and derivative receipts**	**Realised gains and (losses)**	**Unrealised gains and (losses)**	**Change in Market Value**	**31-Mar-25**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Pooled investment vehicles:							
- LCIV UK Housing Fund	467	42,674	- 867	-	- 41	41,766	42,233
- LCIV Inflation Plus Fund	68,105				420	420	68,525
- LCIV Infrastructure Fund	95,817	21,042			7,035	28,077	123,894
- Equities	150						150
Directly Owned:							
- Private Equity	47,645	1,337	- 7,649	6,312	- 5,844	- 5,844	41,801
- Property	100,414	3,540	- 4,440	679	- 9,259	- 9,480	90,934
Net investment assets at Level 3	**312,598**						**367,537**

Note 15c Transfers between the Levels

There were no transfers between the Levels during the year.

Note 15d Classification of Financial Instruments

			31-Mar-24			31-Mar-25
	Fair value through profit & loss	**Assets at amortised cost**	**Liabilities at amortised cost**	**Fair value through profit & loss**	**Assets at amortised cost**	**Liabilities at amortised cost**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Financial assets						
Equities and equity funds	1,082,679			1,125,172		
Fixed income funds	313,396			337,957		
Index linked funds	149,709			134,067		
Diversified growth funds	90,996			97,378		
Pooled property funds	219,949			260,350		
Private equity	47,645			41,801		
Pooled infrastructure funds	95,816			123,894		
Forward currency contracts	0			0		
Cash deposits - investments		93,824			25,322	
Investment income due		3,749			3,801	
Amounts receivable from sales		86				
Debtors		237			21,824	
Cash at bank		2,445			1,677	
	2,000,190	**100,341**	**0**	**2,120,619**	**52,624**	**0**
Financial liabilities						
Forward currency contracts	0			0		
Amounts payable for purchases			0			0
Creditors			(6,677)			(2,132)
Total	**2,000,190**	**100,341***	**(6,677)**	**2,120,619**	**52,624***	**(2,132)**

Note 16 Net Gains and Losses on Financial Instruments

All realised (gains) and losses arise from the sale or disposal of financial assets that have been derecognised in the financial statements.

	2023/24	2024/25
	£'000	**£'000**
Financial assets		
Fair value through profit and loss	(172,423)	(43,323)
Assets at amortised cost	289	159
Financial liabilities		
Fair value through profit and loss	0	0
Total	**(172,134)**	**(43,164)**

Note 17 Nature & Extent of Risks arising from Financial Instruments

Risk and risk management

The Fund's primary long-term risk is that its assets will fall short of its liabilities (i.e. promised benefits payable to members). The aim of investment risk management is to minimise the risk of an overall reduction in the value of the Fund and to maximise the opportunity for gains across the whole Fund portfolio. The Fund achieves this through asset diversification to reduce exposure to market risk (price, currency and interest rate risks) and credit risk to an acceptable level. In addition, the Fund manages its liquidity risk to ensure there is sufficient liquidity to meet the Fund's forecast cash flows.

The Fund manages these investment risks as part of its overall Fund risk management programme. Responsibility for the Fund's risk management strategy rests with the Pension Committee. Risk management policies are established to identify and analyse the risks faced by the Fund and these are regularly reviewed to reflect changes in Fund activities and market conditions.

Market risk

Market risk is the risk of a loss from fluctuations in equity and commodity prices, interest and foreign exchange rates and credit spreads. The Fund is exposed to market risk from its investment activities particularly through any equity holdings. The level of risk exposure depends on market conditions, expectations of future price and yield movements and asset mix. In general, excessive volatility in market risk is managed through diversification of the portfolio in terms of asset class, geographical and industry sectors and individual securities. Regular monitoring of market conditions and analysis is undertaken by the Pension Committee to mitigate market risk whilst optimising return.

Price risk

Price risk is the risk that the value of investments will fluctuate as a result of changes in market prices, whether caused by factors specific to individual investments or those affecting all securities in the market. The Fund is exposed to price risk through its holdings in equities and pooled investment vehicles. The Fund aims to manage this risk by diversifying investments across asset classes and markets.

The table below shows the estimated change in the net assets available to pay benefits if market prices were to increase or decrease by 10%. The analysis excludes cash and working capital the valuations of which are not directly subject to market risk.

	Value	Value on 10% price increase	Value on 10% price decrease
	£'000	£'000	£'000
As at 31 March 2025	2,120,618	2,332,680	1,908,556
As at 31 March 2024	2,000,190	2,200,209	1,800,171

Price Risk Assumption and Its Basis

The Fund applies a 10% price risk assumption consistently across all asset classes and years for the following reasons:

i. **Whole-Fund Approach to Risk Assessment:**
The 10% assumption provides a pragmatic, uniform measure to assess the potential impact of market volatility at the Fund level. This approach aligns with the Fund's strategic focus on overall market conditions rather than specific sectoral or asset-class risks.

ii. **Delegation of Asset-Class Specific Risk Management:**
Approximately 80% of the Fund's investments are pooled within London CIV (LCIV) vehicles. Detailed risk analysis and management of asset-class-specific price volatility are delegated to the LCIV and their underlying investment managers. The LCIV implements strategies to mitigate risks, including diversification across asset classes, geographies, and investment managers. As a result, detailed asset-class-specific risk data is not directly available to the Fund.

iii. **Long-Term Investment Horizon:**
The Fund's primary objective is to maintain long-term financial sustainability to meet its pension liabilities. It prioritizes a strategic focus on the whole Fund's funding position over short-term price movements within individual asset classes.

iv. **Consistency and Clarity:**
Applying a 10% stress assumption across the entire portfolio provides a clear, consistent basis for assessing price risk year-on-year. This ensures comparability and transparency in reporting.

Currency risk

Currency risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk on financial instruments that are denominated in any currency other than Sterling (the functional currency). A strengthening/weakening of Sterling against the various currencies in which the Fund holds investments would increase/decrease the net assets available to pay benefits. To estimate the potential impacts of currency risk, the currency exchange rate volatility (i.e. % change relative to Sterling) of individual currencies is used as provided by ratesfx.com. For holdings in pooled investment vehicles, the effects of a 10% increase or 10% decrease in the value of Sterling are calculated as a proxy.

The following table summarises the Fund's currency exposure based on its holdings of overseas equities and property as at 31 March 2025:

Currency	Value at 31 March 2025 £'000	Potential change %	Value on increase £'000	Value on decrease £'000
Euro	27,727	4.47%	28,966	26,488
Japanese Yen	1	10.89%	1	1
South Korean Won	2,344	7.64%	2,523	2,165
Swiss Franc	5,533	7.28%	5,936	5,130
US Dollar	62,700	6.49%	66,771	58,628
Danish Krone	1,611	4.42%	1,682	1,539
Hong Kong Dollar	1,727	6.23%	1,835	1,620
Global basket	1,022,445	10.00%	1,124,690	920,201
Total Overseas Equity	**1,124,088**		**1,232,403**	**1,015,773**
Overseas private equity (US$)	41,801	6.49%	44,515	39,086
Overseas Property (€)	7,194	4.47%	7,515	6,872
Overseas Property (US$)	47,809	6.49%	50,913	44,704
Total Currency	**96,803**		**102,943**	**90,663**

The % change for Total Currency includes the impact of correlation across the underlying currencies

For comparison, the following table summarises the Fund's currency exposure as at 31 March 2024:

Currency	Value at 31 March 2024 £'000	Potential change %	Value on increase £'000	Value on decrease £'000
Euro	33,827	3.50%	35,011	32,643
Japanese Yen	20	8.21%	21	18
South Korean Won	3,269	5.31%	3,443	3,095
Swiss Franc	6,346	6.00%	6,726	5,966
US Dollar	54,901	5.76%	58,064	51,739
Danish Krone	1,022	3.50%	1,057	986
Hong Kong Dollar	1,357	5.70%	1,435	1,280
Global basket	982,458	10.00%	1,080,704	884,212
Total Overseas Equity	**1,083,200**		**1,186,461**	**979,939**
Overseas private equity (US$)	47,645	5.76%	50,389	44,900
Overseas Property (€)	7,114	3.50%	7,363	6,865
Overseas Property (US$)	60,179	5.76%	63,645	56,712
Total Currency	**1,198,138**		**1,307,858**	**1,088,416**

Interest rate risk

The Fund invests in financial assets for the primary purpose of obtaining a return on investments. The fixed income securities are subject to interest rate risks which represent the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The following analysis shows the Fund's exposure to interest rate risk by estimating the potential impacts a 1% change in interest rates would have on the net assets available to pay benefits:

Assets exposed to interest rate risk	Value at 31 March 2025 £'000	Potential movement on 1% change in interest rates £'000	Value on increase £'000	Value on decrease £'000
Cash deposits	93,824	0	93,824	93,824
Fixed income *	361,007	9,275	351,733	370,282
Index linked securities	134,067	22,925	111,141	156,992
Total	**588,897**	**32,200**	**556,697**	**621,097**

* Includes fixed income proportion held within diversified growth funds.

Assets exposed to interest rate risk	Value at 31 March 2024 £'000	Potential movement on 1% change in interest rates £'000	Value on increase £'000	Value on decrease £'000
Cash deposits	93,824	0	93,824	93,824
Fixed income *	346,127	7,746	338,381	353,873
Index linked securities	149,709	28,295	121,414	178,004
Total	**589,660**	**36,041**	**553,619**	**625,701**

Credit risk

Credit risk represents the risk that the counterparty to a transaction or a financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss. The market values of investments generally reflect an assessment of credit in their pricing and consequently the risk of loss is implicitly provided for in the carrying value of the Fund's financial assets and liabilities.

In essence the Fund's entire investment portfolio is exposed to some form of credit risk however, the selection of high-quality counterparties and financial institutions and legal due diligence carried out on all fund managers and the custodian, minimises the credit risk that may occur through the failure to settle a transaction.

The Fund's on-call sterling and dollar deposits with the custodian are swept into JP Morgan Money Market funds which have an AAA credit rating from Fitch and Standard & Poor agencies.

Credit rating of bank holding cash balance

Bank Account	Rating	Value as at 31 March 2024	Value as at 31 March 2025
		£'000	**£'000**
NatWest	A+	2,460	1,677
Total		**2,460**	**1,677**

Liquidity risk

Liquidity risk represents the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund actively monitors cash flow and maintains an adequate level of liquidity to meet its commitments. Liquidity is managed by:

- regular daily monitoring of cash balances to ensure sufficient funds are available
- annual reviews of the projected cash flows taking into consideration contributions receipts, benefits payments and fees and expenses
- maintaining access to short-term funding options in the event of any unexpected cash flow requirements.

Single investment risk

The following singular investments represent more than 5% of the net assets of the Fund. Each of the investments below is a pooled investment vehicle constituted from a large number of underlying assets. None of the underlying assets represents more than 5% of the Fund.

Investment	Value at 31 March 2024	% of Total Fund	Value at 31 March 2025	% of Total Fund
	£'000		£'000	
Legal & General Future World Global Equity Index	339,614	14.50%	357,531	16.63%
LCIV Multi Asset Credit Fund	313,396	11.70%	337,958	15.72%
Legal & General North America Equity Index Fund	313,237	12.90%	332,798	15.48%
LCIV Global Alpha Paris-Aligned Fund	157,596	11.60%	155,984	7.26%
Legal & General Over 5y Index-Linked Gilts Fund	149,709	3.60%	134,067	6.24%

The Fund has policies in place to ensure that exposure to any one investment is monitored and remains within acceptable limits to prevent excessive concentration of risk.

Note 18 Funding Arrangements

In line with the Local Government Pension Scheme Regulations 2013, the Fund is subject to actuarial valuation every three years at which time, its actuary is required to specify the employers' contribution rates to the Fund necessary to ensure that present and future commitments can be met. The latest completed actuarial valuation of the Fund was carried out by Hymans Robertson LLP as at 31 March 2022 and the revised contribution rates were effective from 1 April 2023. The next formal actuarial valuation is due as at 31 March 2025 with new contribution rates for employers then taking effect from 1 April 2026. The full 2022 valuation report can be accessed here.

The market value of the Fund's assets at the 31 March 2022 valuation date was £1.973bn and the actuarial value of the Fund's accrued liabilities, allowing for future pay increases, was £1.741bn. There was, therefore, a surplus of assets over liabilities of £232m and the Fund was said to be 113% funded.

Liabilities were calculated using the projected unit actuarial method and the main actuarial assumptions were as follows:

Financial assumptions

Year ended	31-Mar-22	31-Mar-25
Pension increase rate (CPI)	2.70% p.a.	2.80% p.a.
Salary increase rate	3.20% p.a.	3.30% p.a.
Discount rate	4.40% p.a.	5.80% p.a.

In the 31 March 2019 actuarial valuation, assets were valued using a discount rate derived from a 70% likelihood that the Fund's investments will return at least 4.5% over the next 20 years (based on stochastic asset projection). For 31 March 2022, the discount rate was derived from a 70% likelihood that the Fund's investments will return at least 4.4% over the next 20 years based on similar stochastic asset projection.

At 31 March 2019, the assets were sufficient to meet 103% of the liabilities and at 31 March 2022, the actuary estimated, assuming reasonable future investment returns, the Fund was 113% funded. The average employee contributions rate is 7% of pensionable pay (2022: 7%) and the total contributions expected to be received over the current triennial cycle, years 2023/24, 2024/25 and 2025/26, will be similar to the 2019-2022 cycle. After consultation with the actuary, the Fund has agreed a contribution strategy with a cap of 1% on increases (and decreases) to main employer contribution rates. In 2024/25, the expected overall contribution rate (primary plus secondary) for the Administering Authority was 28.27% (2023/24: 29.6%%).

Note 19 Actuarial Present Value of Promised Retirement Benefits

In addition to the triennial valuation, the Fund's Actuary, Hymans Robertson LLP, also undertakes a valuation of the pension fund liabilities every year using assumptions in line with IAS 19 to provide an estimate of the actuarial present value of promised retirement benefits. As an actuarial valuation has not been prepared at the date of these financial statements, the promised retirement benefits at 31 March 2025 have been projected using a roll forward approximation from the latest formal funding valuation at 31 March 2022.

The Actuary estimated the defined benefit obligation to be £1,621m as at 31 March 2025.

Present value of promised retirement benefits

Year ended	**31-Mar-24**	**31-Mar-25**
Active members (£m)	(633)	(562)
Deferred members (£m)	(417)	(345)
Pensioners (£m)	(823)	(714)
Total (£m)	**(1,873)**	**(1,621)**
Fair value of Fund assets (bid value)	2,098	2,150
Net asset/(liability) (£m)	**225**	**529**

The key assumptions used are:

Financial assumptions

Year ended	**31-Mar-24**	**31-Mar-25**
Pension increase rate (CPI)	2.80% p.a.	2.80% p.a.
Salary increase rate	3.30% p.a.	3.30% p.a.
Discount rate	4.80% p.a.	5.80% p.a.

The longevity assumptions have changed since the previous IAS26 disclosure for the Fund. Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2022 model, with a 25% weighting of 2022 data, 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long-term rate of improvement of 1.5% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

Demographic assumptions

	Males	Females
Current pensioners	21.2 years	24.0 years.
Future pensioners (assumed to be aged 45 at the latest valuation date)	22.5 years	25.6 years

All other demographic assumptions are unchanged from 2024 and are as per the latest funding valuation of the Fund.

Note 20 Current Assets

	31-Mar-24	31-Mar-25
	£'000	**£'000**
Pension Fund bank account	2,445	1,677
Contributions receivable – employers	105	-
Contributions receivable - employees	32	-
Debtors	100	528
Net amount due from London Borough of Camden		21,296
Total	**2,682**	**23,501**

Note 21 Current Liabilities

	31-Mar-24	31-Mar-25
	£'000	**£'000**
Creditors	(1,040)	(2,132)
Benefits payable	(643)	0
Net amount due to London Borough of Camden	(4,994)	0
Total	**(6,677)**	**(2,132)**

Note 22 Additional Voluntary Contributions

Additional voluntary contributions (AVCs) are not included in the Pension Fund Accounts in accordance with Regulation 4(1)(b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016. The Council has appointed Phoenix Life Limited and Prudential Assurance Company Limited as its AVC providers.

Phoenix Life operates two funds, the deposit fund and the managed fund and employees can contribute to either. Prudential Assurance offers a choice of funds catering for risk appetites ranging from minimal to higher risk. Members have the option to choose a combination of these funds or to invest in the default fund (with profits) or a lifestyle option. The lifestyle option commences with higher risk investments and is gradually switched to lower risk investments as the member moves closer to retirement.

Note 23 Related party transactions

The London Borough of Camden Pension Fund is administered by the London Borough of Camden Council and consequently, there is a strong relationship between the Council and the Pension Fund. The Council is the single largest employer of members of the Pension Fund and contributed £60.91m to the Fund in 2024/25 (£61.7m in 23/24)

In 2024/25 £378k was paid to the Council for finance and accountancy services (£159k in 2023/24), and £544k was paid to the Pensions Shared Service located at Wandsworth Council for providing the pensions administration service (£533k in 2023/24).

At 31 March 2025, there was a net amount of £21.31m due from the Council to the Pension Fund (31 March 2024: £4.9m due from Pension Fund to Council).

The Council, via the Pension Fund, is a shareholder in London LGPS CIV Limited and the net assets statement includes unquoted shares at cost £150k (31 March 2024: £150k). Fees invoiced to the Fund by LCIV for the year were £366k (2023/24: £417k).

Governance

Councillors are no longer permitted to participate in LGPS schemes but may be deferred or pensioner members. Each member of the Pension Fund Committee is required to declare their interests at each meeting.

Key Management Personnel

The Executive Director of Corporate Services held a key position in the management of the Pension Fund for the year to 31 March 2025. The charge payable from the Pension Fund was £14k (31 March 2024: £13k).

No other material transactions with related parties of the Fund during 2024/25 were identified.

Note 24 Contractual capital

Property

The Fund has undrawn contractual capital in relation to three unquoted limited partnership funds in global property; one Euro denominated Luxembourg 'SICAR' and two US Dollar denominated Guernsey Limited Partnerships. These are drawn down in tranches over time as and when the manager needs the cash to invest in underlying investments. The Euro fund had undrawn contractual capital outstanding as at 31 March 2025 although this information is not available at the time of publication (£2.166m as at 31 March 2024). The US Dollar funds also had a undrawn contractual capital outstanding as at 31 March 2025 (£44.980m as at March 2024). These amounts are not required to be included in the Pension Fund accounts.

Private equity

The Fund has a further commitment in relation to its private equity mandate via the HarbourVest 2016 Global AIF Limited Partnership. This commitment is drawn down in tranches over time as and when the manager requests cash to fund underlying investments. The fund is denominated in US Dollars. The commitments outstanding as at 31 March 2025 are not available at the time of publication (£10.930m as at 31 March 2024). This amount is not required to be included in the Pension Fund accounts.

Infrastructure

The Fund made an initial commitment of £106m to the London Collective Investment Vehicle's Infrastructure Fund on 31 October 2019 with an additional commitment of £76m being agreed during 2023/24. At 31 March 2025, the commitment outstanding was not available at the time of publication (£98m outstanding at 31 March 2024).

Note 25 Events after the reporting period

The Fund has carried out a review and can confirm there were no significant events occurring after the reporting period that require disclosure in these accounts.

7.
Glossary and Contacts

Glossary and Contacts

Accrual

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

Actuarial Gains and Losses Re-measurement of Net Defined Benefit Liability

The Actuary assess financial and non-financial information provided by the Council to project levels of future pension fund requirements. Changes in actuarial deficits or surpluses can arise leading to a loss or gain because:

- Events have not coincided with the actuarial assumptions made for the last valuation;
- The actuarial assumptions have changed.

Agency Services

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

Appointed Auditors

The Public Sector Audit Appointments appoints external auditors to every Local Authority, from one of the major firms of registered auditors. Mazars are the Council’s appointed Auditor.

Associate Companies

This is an entity other than a subsidiary or joint venture in which the reporting Authority has a participating interest and over who’s operating and financial policies the reporting Authority is able to exercise significant influence.

Authorised Limit

This represents the legislative limit on the Council’s external debt to finance capital expenditure under the Local Government Act 2003.

Balances

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

Capital Adjustment Account

The Account accumulates (on the debit side) the write-down of the historical cost of Property, Plant and Equipment as they are consumed by depreciation and impairments or written off on disposal. It accumulates (on the credit side) the resources that have been set aside to finance capital expenditure. The same process applies to capital expenditure that is only capital by statutory definition (revenue expenditure funded by capital under statute). The balance on the account thus represents timing differences between the amount of the historical cost of fixed assets that has been consumed and the amount that has been financed in accordance with statutory requirements.

Capital Expenditure

This is expenditure on the acquisition of property, plant and equipment, or expenditure, which adds to, and not merely maintains, the value of an existing fixed asset.

Capital Financing Charges

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

Capital Receipts

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

Carrying Amount

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

Community Assets

This is a category of Property, Plant and Equipment that the Council intends to hold in perpetuity which have no determinable finite useful life and, in addition, may have restrictions on their disposal. Examples include parks and historical buildings not used for operational purposes.

Contingency

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

Contingent Liabilities or Assets

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

Creditors

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

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

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

Dedicated Schools Grant
A specific grant for the funding of schools and which is ring-fenced to the Schools Budget.

Deferred Capital Income
This consists mainly of income due from former tenants who have purchased their homes and taken out mortgages with the Council.

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

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

Depreciation
This is the measure of the wearing out, consumption, or other reduction in the useful economic life of Property, Plant and Equipment.

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

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

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

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

Finance Lease
A finance lease is a lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee.

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

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

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

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

Housing Benefit
This is an allowance to persons on low income (or none) to meet, in whole or part, their rent. Benefit is allowed or paid by Local Authorities but Central Government refunds part of the cost of the benefits and of the running costs of the services to Local Authorities. Benefits paid to the Council’s own tenants are known as rent rebate and that paid to private tenants as rent allowance.

Housing Revenue Account (HRA)
Local Authorities are required to maintain a separate account - the Housing Revenue Account - which sets out the expenditure and income arising from the provision of Council housing. Other services are charged to the General Fund.

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

Infrastructure Assets
A category of Property, Plant and Equipment which generally cannot be sold and from which benefit can be obtained only by continued use of the asset created. Examples of such assets are highways, footpaths, bridges and water and drainage facilities.

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

Liabilities
These are amounts due to individuals or organisations which will have to be paid at some time in the future.

Materiality
An item would be considered material to the financial statements if, through its omission or non-disclosure, the financial statements would no longer show a true and fair view.

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

Operating Lease
This is a type of lease, usually of computer equipment, office equipment, furniture, etc. where the balance of risks and rewards of holding the asset remains with the lessor. The asset remains the property of the lessor and the lease costs are revenue expenditure to the Authority.

Provisions
Amounts set aside to meet liabilities or losses which it is anticipated will be incurred but where the amount and/or the timing of such costs are uncertain.

Private Finance Initiative (PFI)
A Central Government initiative which aims to increase the level of funding available for public services by attracting private sources of finance. The PFI is supported by a number of incentives to encourage Authorities' participation.

Related Parties
Related parties are Central Government, other Local Authorities, precepting and levying bodies, subsidiary and associated companies, Elected Members, all senior officers from Director and above and the Pension Fund. For individuals identified as related parties, the following are also presumed to be related parties:
- Members of the close family, or the same household; and
- Partnerships, companies, trusts or other entities in which the individual, or member of their close family or the same household, has a controlling interest.

Revaluation Reserve
The Reserve records the accumulated gains on the fixed assets held by the Authority arising from increases in value as a result of inflation or other factors (to the extent that these gains have not been consumed by subsequent downward movements in value).

Revenue Expenditure from Capital under Statute (REFCUS)
Expenditure incurred during the year that may be capitalised under statutory provision but that does not result in the creation of a non-current asset that has been charged as expenditure to the CIES.

Revenue Expenditure
Spending on day-to-day items, including salaries and wages, premises costs and supplies and services.

Transfer Payments
Benefits paid over to tenants and homeowners towards rent and council tax which is then reimbursed by central government.

Trust Funds
These are funds administered by the Council on behalf of charitable organisations and/or specific organisations.

Abbreviations

AVC
Additional Voluntary Contributions

BSF
Building Schools for the Future

BVCA
British Venture Capital Association

CCG
Clinical Commissioning Group

CFR
Capital Financing Requirement

CGRA
Capital Grants Received in Advance

CIPFA
Chartered Institute of Public Finance and Accountancy

CPFA
Chartered Public Finance Accountant

CPI
Consumer Price Index

DLUHC
Department for Levelling Up, Housing and Communities

DMO
Debt Management Office

DRC
Depreciated replacement cost

DSG
Dedicated Schools Grant

DWP
Department of Work and Pensions (Central Government)

EUV
Existing Use Value

FMV
Fair Market Value

FTE
Full Time Equivalent

GLA
Greater London Authority

HMRC
His Majesty’s Revenue & Customs

HRA
Housing Revenue Account

IAS
International Accounting Standards

ICT
Information Communication Technology

IFRIC
International Financial Reporting Interpretations Committee

IFRS
International Financial Reporting Standards

ILEA
Inner London Education Authority

IPSAS
International Public Sector Accounting Standards

ISB
Independent School Bursary Scheme

LEP
Local Education Partnership

LGPS
Local Government Pension Scheme

LOBO
Lender’s Option Borrower’s Option financial instrument

LPFA
London Pensions Fund Authority

LRB
The former London Residuary Body (residual functions of the Greater London Council and ILEA)

MHCLG
Ministry of Housing Communities and Local Government

MMI
Municipal Mutual Insurance

MRP
Minimum Revenue Provision

NBV
Net Book Value

NNDR
National Non Domestic Rates (Business Rates)

NPV
Net Present Value

NLWA
North London Waste Authority

PFI
Private Finance Initiative

PPE
Property, Plant and Equipment

PWLB
Public Works Loan Board

REFCUS
Revenue Expenditure Funded From Capital Under Statute

RICS
Royal Institution of Chartered Surveyors

SEN
Special Education Needs

SLA
Service Level Agreement

UCL
University College London

NOTE: values throughout these accounts are presented rounded to whole numbers. Totals in supporting tables and notes may not appear to cast, cross-cast, or exactly match to the primary statements or other tables due to rounding differences.

Contact Information

This document gives details of London Borough of Camden’s Annual Accounts and is available on the Council’s website at *camden.gov.uk*.

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