



Report to: Audit & Governance Committee Meeting 25 September 2024

Director or Business Manager Lead: Sanjiv Kohli Deputy Chief Executive / Director –
Resources - Section 151 Officer

Lead Officer: Nick Wilson, Business Manager Financial Services on
ext 5317

Report Summary	
Report Title	Projected General Fund and Housing Revenue Account Revenue and Capital Outturn Report to 31 March 2025 as at 30 June 2024
Purpose of Report	To update Members with the forecast outturn position for the 2024/25 financial year for the Council’s General Fund and Housing Revenue Account revenue and capital budgets. To show performance against the approved estimates of revenue expenditure and income.
Recommendations	That Committee: (a) note the General Fund projected favourable outturn variance of £0.145m; (b) note the Housing Revenue Account projected unfavourable outturn variance of £0.048m to the Major Repairs Reserve; (c) note the Capital Programme revised budget and financing of £63.232; and (d) note the Prudential indicators at Appendix A.
Alternative Options Considered	Not applicable.
Reason for Recommendations	To consider the forecast outturn position for the 2024/25 financial year for the Council’s General Fund and Housing Revenue Account revenue and capital budgets. Ensure the Council has overall financial sustainability for the current financial year compared to the budgeted position.

1.0 Background

Overview of General Fund Revenue Projected Outturn for 2024/25

- 1.1 *Table 1* shows a projected unfavourable variance against the revised budget of £0.0.74m on Service budgets, with an overall favourable variance of £0.145m that would need to be transferred to the General Fund reserve. This is based on meetings which took place with Business Managers during July, whereby they have analysed actual income and expenditure to 30th June 2024 and forecasted forward to the end of March 2025 the additional income and expenditure currently expected to be incurred.

Table 1: General Fund revenue outturn for 2024/25 financial year as at 30 June 2024

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
Net Cost of Services	19.787	20.887	20.961	0.074
Other Operating Expenditure	4.932	4.932	4.932	0.000
Finance & Investment Income/Expenditure	(1.736)	(1.736)	(1.648)	0.088
Taxation & Non-Specific Grant Income	(24.578)	(24.578)	(24.784)	(0.206)
Net Cost of Non-Service	(21.382)	(21.382)	(21.500)	(0.118)
Net Cost of Council Expenditure	(1.595)	(0.495)	(0.539)	(0.044)
Transfer to/(from) Usable Reserves	0.794	(0.306)	(0.306)	0.000
Transfer to/(from) Unusable Reserves	0.801	0.801	0.700	(0.101)
Transfer to/(from) General Reserves	0.000	0.000	0.145	0.145

- 1.2 While the current overall favourable variance of £0.145m is a positive impact for the Councils resources, it is only a forecast, therefore the Outturn Report in June 2025 will finalise the variance and the allocation of that variance into the Councils General Reserves.

Overview of Projected Housing Revenue Account (HRA) Outturn for 2024/25

- 1.3 With reference to the 'Variance' column in Table 2, the HRA accounts show a projected unfavourable variance on the Net Cost of HRA Services against the revised budget of £0.025m and a reduced transfer to the Major Repairs Reserve of £0.048m:

Table 2: HRA revenue outturn for 2024/25 financial year as at 30 June 2024

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
Net Cost of HRA Services	(7.655)	(7.599)	(7.574)	0.025
Other Operating Expenditure	0.027	0.027	0.027	0.000
Finance & Investment Income/Expenditure	3.955	3.955	3.979	0.023
Taxation & Non-Specific Grant Income	0.000	0.000	0.000	0.000
(Surplus)/Deficit on HRA Services	(3.673)	(3.616)	(3.568)	0.048
Movements in Reserves				
Transfer to/(from) Usable Reserves	(0.027)	(0.084)	(0.084)	0.000
Transfer to/(from) Unusable Reserves	(6.269)	(6.269)	(6.269)	0.000
Transfer to/(from) Major Repairs Reserve	9.969	9.969	9.921	(0.048)
Total	0.000	0.000	0.000	0.000

- 1.4 While the current overall unfavourable variance of £0.025m is a negative impact for the Councils resources, it is only a forecast, therefore the Outturn Report in June 2025 will finalise the variance and therefore the transfer to or from the Major Repairs Reserve.

Overview of Projected Capital Outturn 2024/25

- 1.5 The table below summarises the position for the Capital Programme as at 30 June 2024 and is split between General Fund and Housing Revenue Account.

	Revised Approved Budget £'m	Current Approved Budget £'m	Revised Budget updated for Approval £'m	Actual Spend to 30 June 2024 £'m	Forecast Outturn £'m
General Fund	25.599	35.896	34.305	3.014	34.305
Housing Revenue Account	25.808	29.098	28.927	3.063	28.927
Total	51.407	64.994	63.232	6.077	63.232

- 1.6 As projects are developed and spending commitments are made, budget requirements can change. It is a requirement that Cabinet approve all variations to the Capital Programme. The below table details the changes that have been approved and are due to be approved on 10 September 2024 and account for the difference between the Revised budget updated for approval of £64.994m and the original budget of £51.407m above.

	General Fund £'m	HRA £'m
Original Budget approved on 7 March 2024	25.599	25.808
Slippage from 2023/24	10.297	3.291
Reprofiles to future years	(4.583)	(0.800)
Additions/Reductions	3.263	0.629
Total Change	(1.591)	(0.171)
Revised budget to be approved	34.305	28.927

Capital Programme Resources

- 1.7 The revised budget of £63.232m will be financed as follows, with every attempt to minimise the impact on the Council's revenue budget:

	General Fund £'m	Housing Revenue Account £'m	Total £'m
Borrowing	14.854	16.765	31.619
External Grants & Contributions	8.587	1.980	10.567
Capital Receipts	2.419	1.037	3.456
Community Infrastructure Levy	0.076	0.000	0.076
Revenue Contributions	8.369	9.145	17.517
Total	34.305	28.927	63.232

Prudential Indicators

- 1.8 The Treasury Management Code of Practice 2021 stipulates that quarterly update reports on prudential indicators are now required from 2023/24 onwards.
- 1.9 The prudential indicators are set within the Treasury Management Strategy, Capital Strategy and the Investment Strategy and the three strategies were approved by Audit and Governance Committee on 21 February 2024 and Full Council on 7 March 2024. The summary of the prudential indicators can be found at **Appendix A**.
- 1.10 As can be seen from **Appendix A**, the Council was fully compliant with all of the indicators as set within the Treasury Management Strategy, Capital Strategy and Investment Strategy.

2.0 Implications

- 2.1 In writing this report and in putting forward recommendation's officers have considered the following implications; Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding and Sustainability, and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Background Papers and Published Documents

General Fund, Housing Revenue Account Revenue and Capital Monitoring Outturn Report as at March 2024 to Cabinet on 23 July 2024