



Report to: Audit & Governance Committee Meeting 11 December 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

<b>Report Summary</b>	
<b>Report Title</b>	Projected General Fund and Housing Revenue Account Revenue and Capital Outturn Report to 31 March 2025 as at 30 September 2024
<b>Purpose of Report</b>	<p>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.</p> <p>To show performance against the approved estimates of revenue expenditure and income.</p>
<b>Recommendations</b>	<p>That Committee:</p> <p>(a) note the General Fund projected favourable outturn variance of £0.719m;</p> <p>(b) note the Housing Revenue Account projected favourable outturn variance of £0.033m to the Major Repairs Reserve;</p> <p>(c) note the Capital Programme revised budget and financing of £49.467m; and</p> <p>(d) note the Prudential indicators at Appendix A.</p>
<b>Alternative Options Considered</b>	Not applicable.
<b>Reason for Recommendations</b>	<p>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.</p> <p>Ensure the Council has overall financial sustainability for the current financial year compared to the budgeted position.</p>

## 1.0 Background

### Overview of General Fund Revenue Projected Outturn for 2024/25

- 1.1 Table 1 shows a projected favourable variance against the revised budget of £0.421m on Service budgets, with an overall favourable variance of £0.719m that would need to be transferred to the General Fund reserve. This is based on meetings which took place with Business Managers during October, whereby they have analysed actual income and expenditure to 30th September 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 September 2024*

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
<b>Net Cost of Services</b>	<b>19.787</b>	<b>21.367</b>	<b>20.946</b>	<b>(0.421)</b>
Other Operating Expenditure	4.932	4.932	4.932	0
Finance & Investment Income/Expenditure	(1.736)	(1.736)	(1.849)	(0.113)
Taxation & Non-Specific Grant Income	(24.578)	(24.578)	(24.662)	(0.084)
<b>Net Cost of Non-Service</b>	<b>(21.382)</b>	<b>(21.382)</b>	<b>(21.579)</b>	<b>(0.197)</b>
<b>Net Cost of Council Expenditure</b>	<b>(1.595)</b>	<b>(0.015)</b>	<b>(0.633)</b>	<b>(0.618)</b>
Transfer to/(from) Usable Reserves	0.794	(0.786)	(0.786)	0
Transfer to/(from) Unusable Reserves	0.801	0.801	0.700	(0.101)
Transfer to/(from) General Reserves	0	0	0.719	0.719

- 1.2 While the current overall favourable variance of £0.719m 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 favourable variance on the Net Cost of HRA Services against the revised budget of £0.134m an increased transfer to the Major Repairs Reserve of £0.033m:

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

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
<b>Net Cost of HRA Services</b>	<b>(7.655)</b>	<b>(7.486)</b>	<b>(7.620)</b>	<b>(0.134)</b>
Other Operating Expenditure	0.027	0.027	0.027	0.000
Finance & Investment Income/Expenditure	3.955	3.955	4.056	0.101
Taxation & Non-Specific Grant Income	0.000	0.000	0.000	0.000
<b>(Surplus)/Deficit on HRA Services</b>	<b>(3.673)</b>	<b>(3.504)</b>	<b>(3.537)</b>	<b>(0.033)</b>
<b>Movements in Reserves</b>				
Transfer to/(from) Usable Reserves	(0.027)	(0.196)	(0.196)	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	10.002	0.033
<b>Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

1.4 While the current overall favourable variance of £0.033m 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 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	34.305	28.442	5.012	28.442
Housing Revenue Account	25.808	28.927	21.025	8.459	21.025
<b>Total</b>	<b>51.407</b>	<b>63.232</b>	<b>49.467</b>	<b>13.471</b>	<b>49.467</b>

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 £49.467m and the original budget of £51.407m above.

	General Fund £'m	HRA £'m
<b>Original Budget approved on 7 March 2024</b>	<b>25.599</b>	<b>25.808</b>
Slippage from 2023/24	10.297	3.291
Quarter 1 Movements reported at 25 September 2024 Audit & Governance	(1.591)	(0.172)
<b>Current Approved budget</b>	<b>34.305</b>	<b>28.927</b>
Reprofiles to future years	(6.351)	(7.910)

Additions/Reductions	0.488	0.009
<b>Total Change</b>	<b>(5.862)</b>	<b>(7.902)</b>
<b>Revised budget to be approved</b>	<b>28.443</b>	<b>21.025</b>

### Capital Programme Resources

- 1.7 The revised budget of £49.467m 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	9.836	10.627	<b>20.463</b>
External Grants & Contributions	9.900	1.182	<b>11.082</b>
Capital Receipts	2.219	0.360	<b>2.579</b>
Community Infrastructure Levy	0.076	0.000	<b>0.076</b>
Revenue Contributions	6.411	8.856	<b>15.267</b>
<b>Total</b>	<b>28.442</b>	<b>21.025</b>	<b>49.467</b>

### 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