



Report to: Audit & Accounts Committee Meeting 10 December 2025

Director 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 2026 as at 30 September 2025
Purpose of Report	<p>To update Members with the forecast outturn position for the 2025/26 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>
Recommendations	<p>That Committee:</p> <p>(a) note the General Fund projected favourable outturn variance of £0.062m;</p> <p>(b) note the Housing Revenue Account projected unfavourable outturn variance of £0.201m to the Major Repairs Reserve;</p> <p>(c) note the Capital Programme revised budget and financing of £46.823m; and</p> <p>(d) note the Prudential indicators at Appendix A.</p>
Alternative Options Considered	Not applicable.
Reason for Recommendations	<p>To consider the forecast outturn position for the 2025/26 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 2025/26

- 1.1 *Table 1* shows a projected unfavourable variance against the revised budget of £0.359m on Service budgets, with an overall favourable variance of £0.062m 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 30 September 2025 and forecasted forward to the end of March 2026 the additional income and expenditure currently expected to be incurred.

Table 1: General Fund revenue outturn for 2025/26 financial year as at 30 September 2025

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
Net Cost of Services	20.722	21.841	22.200	0.359
Other Operating Expenditure	5.120	5.063	5.063	0
Finance & Investment Income/Expenditure	(1.572)	(1.572)	(1.418)	0.154
Taxation & Non-Specific Grant Income	(25.230)	(25.251)	(25.780)	(0.529)
Net Cost of Non-Service	(21.682)	(21.760)	(22.135)	(0.375)
Net Cost of Council Expenditure	(0.960)	0.081	0.065	(0.016)
Transfer to/(from) Usable Reserves	0.316	(0.883)	(0.883)	0
Transfer to/(from) Unusable Reserves	0.644	0.802	0.756	(0.046)
Transfer to/(from) General Reserves	0	0	0.062	0.062

- 1.2 While the current overall favourable variance of £0.062m is a positive impact for the Councils resources, it is only a forecast, therefore the Outturn Report in June 2026 will finalise the variance and the allocation of that variance into the Councils General Reserves.

Overview of Projected Housing Revenue Account (HRA) Outturn for 2025/26

- 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 £0.172m and a reduced transfer to the Major Repairs Reserve of £0.201m:

Table 2: HRA revenue outturn for 2025/26 financial year as at 30 September 2025

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
Net Cost of HRA Services	(6.366)	(5.730)	(5.558)	0.172
Other Operating Expenditure	0.013	0.013	0.013	0
Finance & Investment Income/Expenditure	4.243	4.243	4.272	0.029
Taxation & Non-Specific Grant Income	0	0	0	0
(Surplus)/Deficit on HRA Services	(2.109)	(1.474)	(1.273)	0.201
Movements in Reserves				
Transfer to/(from) Usable Reserves	(0.263)	(0.898)	(0.898)	0
Transfer to/(from) Unusable Reserves	(6.245)	(6.245)	(6.245)	0
Transfer to/(from) Major Repairs Reserve	8.617	8.617	8.416	(0.201)
Total	0	0	0	0

- 1.4 While the current overall unfavourable variance of £0.201m is a negative impact for the Councils resources, it is only a forecast, therefore the Outturn Report in June 2026 will finalise the variance and therefore the transfer to or from the Major Repairs Reserve.

Overview of Projected Capital Outturn 2025/26

- 1.5 The table below summarises the position for the Capital Programme as at 30 September 2025 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 2025 £'m	Forecast Outturn £'m
General Fund	35.489	33.433	28.089	7.552	28.089
Housing Revenue Account	23.295	21.807	18.734	4.626	18.734
Total	58.784	55.240	46.823	12.178	46.823

- 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 9 December 2025 and account for the difference between the Revised budget updated for approval of £46.823m and the original budget of £58.784m above.

	General Fund £'m	HRA £'m
Original Budget approved on 6 March 2025	35.489	23.295
Slippage from 2024/25	4.812	3.004
Quarter 1 movement	(6.869)	(4.493)
Reprofiles to future years	(6.563)	(3.222)
Additions/Reductions	1.219	0.149
Total Change	(5.344)	(3.072)
Revised budget to be approved	28.089	18.734

Capital Programme Resources

- 1.7 The revised budget of £46.823m 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
External Grants & Contributions	7.730	1.152	8.882
Capital Receipts	1.379	0.273	1.652
Community Infrastructure Levy	0.100	0.000	0.100
Revenue Contributions	3.740	4.743	8.484
Borrowing	15.140	12.566	27.706
Total	28.089	18.734	46.823

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 19 February 2025 and Full Council on 6 March 2025. 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 to 31 March 2026 as at 30 June 2025 to Cabinet on 8 September 2025.