

## **CABINET – 8TH FEBRUARY 2024**

### **Report of the Head of Finance**

**Lead Member: Councillor Ian Ashcroft**

#### **Part A**

#### GENERAL FUND AND HRA REVENUE BUDGETS 2024/25

##### Purpose of the Report

This report sets out the proposed General Fund and Housing Revenue Account (HRA) Revenue Budgets for 2024/25. It is a legal requirement to set a balanced budget each financial year. The report also incorporates the proposed Council Tax levy which must be set by Council at its meeting on 26<sup>th</sup> February 2024. The indicated Council Tax for Charnwood Borough Council as a whole is based on the budget to be recommended to Council and it is proposed that there is equivalent to an increase of 3.00% per band D property per annum in 2024/25. This is within the allowable increase for the Council based upon the Council's current band D charge being in the lowest quartile across England.

The report also presents the 2024/25 proposals to increase rent and service charges within the ring fenced Housing Revenue Account.

##### Recommendations

That Council is recommended:

1. To approve the Original General Fund Revenue Budget for 2024/25 at £20,395,951 as set out in Appendix 1.
2. To set a base Council Tax at £144.68 at Band D, an increase of 3.00% (£4.21) on the 2023/24 rate as set out in Appendix 2.
3. To set the Loughborough Special Levy at £82.72, an increase of 1.99% (£1.61) on the 2023/24 rate, as set out in Appendix 3.
4. To approve the Original HRA Budget for 2024/25 as set out in Appendix 5.
5. To amend the HRA weekly rents in line with the Ministry of Housing, Communities and Local Government (MHCLG) guidance.
6. To amend the non-HRA dwelling properties in line with the Ministry of Housing, Communities and Local Government (MHCLG) guidance.
7. To approve the HRA service charges in accordance with the MHCLG Guidance.
8. To approve that the shop rents retain their current rents in accordance with an assessment by the Valuation Office.

9. To approve that garage rents are increased in accordance with an assessment by the Valuation Office.
10. To approve that the Leasehold Management and Administration charge increases to £180.35 per annum for Leasehold flats, and £112.98 for Leasehold shops.
11. That the Lifeline weekly charge is increased in-line with CPI + 1% and that the new digital Lifeline Service charge is set to recover costs.
12. To determine that the basic amount of Council Tax for 2024/25 is not excessive according to the principles set out by the Secretary of State.

### Reasons

1. That the necessary finance is approved to carry out services in 2024/25.
2. That the Council Tax can be set in accordance with legal and statutory requirements.
3. That a Loughborough Special Levy can be set in accordance with legal and statutory requirements.
4. To ensure sufficient funding for the Housing Revenue Account in 2024/25.
5. To comply with social housing rents guidance.
6. To be consistent with the other council house stock.
7. To ensure the correct alignment of costs and service charges for tenants in accordance with best practice.
8. That shop rents follow the assessment and guidance provided by the Valuation Office.
9. To increase the rent generated for garages in line with the guidance from the Valuation Office.
10. That there is sufficient recovery of the costs associated with operating the leasehold flat and shop services.
11. That there is sufficient recovery of the costs associated with operating the Lifeline service.
12. To comply with the requirements of the Local Government Finance Act 1992.

### Policy Justification and Previous Decisions

The budget is essential to all policies of the Council and the setting of a Council Tax levy is a legal requirement of the Council. The rents are set in accordance with DLUHC Guidelines.

## Implementation Timetable including Future Decisions and Scrutiny

This report will be available for consideration by the Scrutiny on 5<sup>th</sup> February 2024 and, if approved by Cabinet, will be tabled for agreement by Full Council on 26<sup>th</sup> February 2024. The actual budget will then come into effect on 1st April 2024.

The draft budget was also considered by the Budget Scrutiny Panel on 3<sup>rd</sup> January 2024 and their comments are due to be considered separately by Cabinet at the 8<sup>th</sup> February 2024 meeting and are also referred to later in this report.

## Report Implications

### *Financial Implications*

The effects of the adoption of these budgets are explained in Part B of the report.

### *Risk Management*

Risks identified in respect of the Original Budget are tabulated below:

<i>Risk Identified</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Overall Risk</i>	<i>Risk Management actions planned</i>
Failure to take account of the spending plans of the Council.	Unlikely (2)	Minor (1)	Very Low (2)	Robust budget planning and Budget Monitoring process are in place.
Further exceptional spending being required during the financial year.	Likely (3)	Major (3)	Moderate (9)	It is considered that the Working Balance reserve (and other revenue reserves) remain sufficient to manage normal and one-off events for 2024/25.

### *Equality and Diversity*

There are no specific Equalities and Diversity issues affecting the recommendation in this report, although any such issues arising from particular service pressures and savings will be considered and subject to an equalities impact assessment prior to proposals being implemented.

Key Decision: Yes

Background Papers: None

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## Part B

### General Fund Revenue Budget 2024/25

1. The approach and context for this budget were set out in the report to Cabinet of 14 December 2023. The salient features of the draft budget were set in this report and are reiterated as applying to the final budget proposals to Council:
  - **Use of General Fund Working Balance:** no use of the Working Balance is projected within the draft budget; this would leave the Working Balance at £5.4m at 31 March 2025, well above the £2.5m minimum level currently assessed by the Section 151 officer
  - **Council tax:** the general Borough council tax increase is restricted to three percent; this increase is below the rate previously allowed under the historical 'capping rules' which are expected continue into 2024/25
  - **Loughborough Special Expenses:** the Loughborough Special Expenses council tax increase is to be set at 1.99%, in line with previous years.
  - **Community grants:** A £100,000 grants pot is to be created to enable community groups working with residents struggling with the cost of living, £25,000 of which is to be specifically allocated to the Citizens Advice Bureau
  - **Garden waste collection charges:** the charge for garden waste collections is to be frozen for 2024/25

With respect to the Housing Revenue Account (HRA):

- The budget assumes a **'break even' position.**
  - **Investment in stock:** some £7.2m within the HRA is earmarked for investment in the housing stock; £4.3m arising from the depreciation charge and a specific allocation of £2.9m
  - **Rent increases:** rentals are planned to increase by CPI+1% in accordance with national guidelines; this equates to a 7.7% increase, although around three-quarters of tenants will be insulated from this increase due to Housing Benefit and Universal Credit payments.
  - **Reserves:** the HRA reserve will be maintained at £110 per house in line with historical precedent.
2. The only alteration to the headline position versus the draft budget concerns the HRA financing fund which will potentially reduce to £12m, compared to the draft position which expected the fund to be maintained above £13m due to refinement of the calculations. This remains a comfortable position for this reserve, being well above short term refinancing commitments.
  3. Appendix 1 shows the General Fund summary position and includes a variance column comparing the Original budget being recommended to Council with the draft one reported to Cabinet on 14<sup>th</sup> December 2023. The changes are set out below.
  4. The working balance is estimated to be £5,472k as at 31<sup>st</sup> March 2025.
  5. The precept Income has Increased by £122k compared to the draft. This is summarized as:

	<b>Draft Budget 2024/25 £</b>	<b>Original Budget 2024/25 £</b>	<b>Movement Draft to Original 2024/25 £</b>
Revenue Support Grant	353,000	350,444	(2,556)
NNDR	6,800,000	7,100,000	300,000
Funding Guarantee	3,000,000	2,473,608	(526,392)
Council Tax Receipts	8,710,763	8,634,300	(76,463)
Loughborough Special Levy	1,410,409	1,397,836	(12,573)
New Homes Bonus	0	404,254	404,254
Services Grant	0	27,319	27,319
General Government Grants	0	0	0
Collection Fund Surplus/(Deficit)	0	8,190	8,190
Precept Income	<b>20,274,172</b>	<b>20,395,951</b>	<b>121,779</b>

6. The council is currently part of the Leicestershire business rate pool which means that they do not have to pay this balance over to Central Government and payments instead are directed to the Local Enterprise Partnership (LEEP) via the business rates pool.
7. Due to timing differences between years in finalising amounts due to other parties, e.g. the County, Police and Fire in respect of Council Tax and the County, Fire and Central Government in respect of NNDR, the authority operates a Collection Fund. This acts like a trust account where amounts are paid in/out during the year and surpluses/deficits are retained at the year end and then paid out/recovered in following years once final figures are known. The final report to Council on 26<sup>th</sup> February 2024 will include the final figures, the figures for County, Fire and Police in this report are provisional.
8. The amount due to the Council from Council Tax receipts has decreased by £76k compared with the draft report. The tax base was calculated in December 2023 and was less than originally anticipated.
9. The New Homes Bonus (NHB) Grant figure is £404k for 2024/25 (£373k 2023/24).
10. Funding Guarantee has continued for a second year and is £2,474k (£2,295k 2023/24).
11. Service pressures, savings and options for change are detailed at Appendix 6. This is summarized as:

	<b>Draft Budget 2024/25 £</b>	<b>Original Budget 2024/25 £</b>	<b>Movement Draft to Original 2024/25 £</b>
Net Options for Change (Saving)/Pressure	(366,000)	(366,000)	0
Service Savings (Ongoing)	(124,200)	(91,200)	33,000
Service Savings (Oneoff)	(71,600)	(71,600)	0
Community Grants (Oneoff)	100,000	100,000	0
Service Pressures (Ongoing)	309,400	419,900	110,500
Service Pressures (Oneoff)	122,300	122,300	0
<b>Total</b>	<b>(30,100)</b>	<b>113,400</b>	<b>143,500</b>

### Consultation on the Budget

12. A programme of consultation commenced following the consideration of the draft budget by Cabinet 14<sup>th</sup> December 2023. This has involved members of the public, partner organisations, scrutiny (especially the Budget Scrutiny Panel), unions and businesses. An online consultation was held between 14<sup>th</sup> December 2023 and 14<sup>th</sup> January 2024. The consultation was highlighted in the local media and across other channels including the Council's website, social media, and email alerts. *There were no responses submitted to the online consultation.*

### *Budget Scrutiny Panel*

13. A Budget Scrutiny Panel has undertaken scrutiny of the draft budget for 2024/25. There were no specific recommendations of the Panel; their comments are set out in a separate report to this Cabinet meeting.

### *Comments of the Industrial and Commercial Ratepayers Meeting*

14. A consultation meeting with representatives of Industrial and Commercial Ratepayers was held on 9<sup>th</sup> January 2024. In summary:
- The current reliance on using reserves and how this use could be reduced was discussed; members and offices present outlined the 'Options for Change' process which had the objective of moving the Council towards financial resilience over the term of the current administration.
  - The Council's proposed investment in economic regeneration resources and the plans in respect of town centres and car parking were discussed.
  - the timing of the financial settlement from the Government was noted as being challenging for the Council's budgetary process.

## Loughborough Special Expenses Appendix 3

15. The budget position for Loughborough Special Expense and Levy for 2024/25. The increase to the Loughborough Special Levy is 1.99% to a rate of £82.72 per Band D property (2023/24: £81.11), details of this budget and year to year comparisons are included in Appendix 3.

### Council Tax Base

16. The tax base, as approved by a decision delegated to the s151 Officer, has been used in the relevant calculations.

### Precept Amount

17. The Precept amount in Appendix 2 shows an equivalent overall increase of £4.21 (3.00%) on the Base Band D Council Tax plus the Loughborough Special Levy. The band D rate for 2024/25 is set at £144.68 for the base precept.

### Parish and Town Councils and Other Precepts

18. All but two Parish and Town Council precepts have been received; and are detailed in Appendix 4 where available. Approved precept information is still to be received from the County Council, the Police and Fire Authorities and the figures therefore shown in Appendix 2 are provisional. These and outstanding parish precepts will be updated in time for the main Council meeting on 26<sup>th</sup> February 2024.

### General Fund Revenue Balances and Reserve

19. The General Fund Balances are included in Appendix 1. The budget shows a net zero use of Working Balance is required to balance this year's budget, with the Working Balance estimated to be £5,472k as at March 2025.

It is a requirement to ensure that the level of balances is appropriate for the Council's commitments and current level of expenditure. The recommended minimum working balance set by the Section 151 Officer is £2.5m (but is under review as set out in the Medium Term Financial Outlook 2024 – 2027), representing six weeks net expenditure, in line with good practice. The original budget balance on this fund at the end of March 2025 is projected is above this limit.

The Reinvestment Reserve This is used for three purposes, these being:

- For items that produce a payback to the Council;
- To fund costs that lead to appreciable service improvements;
- To fund one-off costs.

The Reinvestment reserve is estimated to be £356k at the end of March 2025. to be used for the above purpose. This may be topped up should this be operationally justified and financially feasible.

The Capital Plan Reserve is estimated to be £1,874k at the end of March 2025. This revenue reserve can be used to finance General Fund capital expenditure. The reserve can also be used for revenue expenditure and there is no minimum balance for this reserve.

There are fifteen specific earmarked reserves which may be used in line with the purpose of the reserve fund or for general fund purposes totaling £3,429k. Included within the earmarked reserves is the Commercialisation Reserve. This was set up in 2021/22 to cover any future losses on the Commercial Property Income. A contribution of £26k has been set aside in the 2024/25 budget and by 31<sup>st</sup> March 2025, the balance on this reserve will be £1.5m.

The overall total General Fund Reserve balances estimated as at 31<sup>st</sup> March 2025 is £13,090k.

## Housing Revenue Account (HRA) – Appendix 5

20. The draft original budget position for 2024/25 is breakeven. The 2024/25 budget funds the capital programme through a contribution of £2.7m Revenue Contribution to HRA Capital and the Major Repairs Reserve via a £4.3m Depreciation Charge. There are Service pressures of £0.9m which are comprised of £0.4m inflationary pressures (*Appendix 7 - Table 1*) and ongoing additional pressures totaling £0.5m (*Table 2*). Note that an additional £98.6k has been added since the draft Housing Revenue Account budget presented to Cabinet on 14 December 2023 (*Item 7 - Draft General Fund and HRA Budget 2024/25*).
21. Rents have been increased by CPI+1% in accordance with national guidelines which is a 7.7% increase. CPI is as at September 2023. The rent increase will be covered by Housing benefit and Universal Credit, subject to benefit eligibility. There are approximately 1,344 tenants (as on 21 November 2023) thought not to be in receipt of these benefits.

### Impact of proposed rent increase

Charge	Average weekly charge 2023/24	2024/25 Average weekly charge 7.7% increase	Increase
Housing rent (52 weeks)	84.33	90.82	£6.49 per week (Eligible for Universal Credit)

22. Void loss (rent lost through empty properties) has been calculated at 4.8% which is approximately £1.2m of the anticipated income stream. Recent investments in staffing and additional resources in the repairs and maintenance of void properties will assist in making this target achievable.
23. Rents on Garages have been increased by approximately 6.09% per week to £11.50 per week which is an increase of £0.66 per week (48 weeks). This is following the recommendations of a review by the Valuations Office.
24. The rent charges for shops has also been reviewed by the Valuations Office, and their recommendation was to retain them at the current levels.
25. Service charges have been set in line with the recovery of direct costs. Each sheltered court has a different charge to recover costs directly associated with that sheltered court only. This is for services such as laundry/wate and furniture in communal areas. This limits tenants not in those sheltered courts from contributing to the costs of their upkeep.

## HRA Balances (Reserves)

### *Principal HRA reserve*

26. Section 151 Officer recommends a minimum level of working balances for the HRA of £110 per property (under review for future years as described in the Medium Term Financial Outlook 2024 – 2027). There are 5,428 properties anticipated on 31st March 2025 (anticipating 22 right to buy sales); working balances have been adjusted to reflect this projection at £597k.

### *HRA Financing Fund*

27. The HRA Financing Fund was set up to set aside monies to cover future expenditure. Cabinet have approved a facility whereby a further £0.5m can be drawn down from the Financing Fund each year. (*Recommendation 2 – Landlord Services Capacity – Cabinet 1 June 2023*). The budget as presented excludes this additional £0.5m which is held in reserve until required. It also excludes a recent addition of £50k earmarked from the £0.5m to assist in the aftermath of the recent flooding in Loughborough. It is assumed that a proportion of this expenditure may be recoverable through insurance. The anticipated balance of the HRA Financing Fund on 31 March 2025 is £12m although this will reduce to £11.5m if it is drawn down in full during 2024/25.
28. An anticipated net overspend of £1.8m relating to the forecast closing budget for 2023/24 has been adjusted to the opening balance of the HRA Financing Fund. This is based on the forecast for revenue monitoring as estimated in January 2024. Whilst this does not impact directly on the 2024/25 Original Budget for the HRA, it has reduced the level of Housing Financing Fund projected to be available on 1 April 2024.

### *Major Repairs Reserve*

29. The Major Repairs Reserve is a statutory fund and can only be used to finance capital expenditure and debt repayment. The anticipated balance on 31 March 2025 is zero. This is because the projected brought forward balance of £4.5m will be used to fund the 2024/25 capital programme £3.5m and £1m loan payment to the Public Works Loan Board. This is the first of the loans maturing from the £79m self-financing settlement in 2012.
30. The HRA draft Capital Programme for 2024/25 is £13.9m. This is funded from Depreciation £4.3m, HRA Revenue contribution to Capital (RCCO) £2.7m, and the HRA financing fund £3m, the Major Repairs Reserve £3.5m and £0.4m from 1- for-1 capital receipts (HRA Right to buy sales).
31. Note that this is £0.6m higher than the draft Housing Revenue Account budget presented to Cabinet on 14 December 2023 (*Item 7 - Draft General Fund and HRA Budget 2024/25*). The changes to the capital programme financing, additional service pressures and 2023/24 shortfall in budget have reduced the anticipated investment income by £87k.
32. Total HRA balances on 31 March 2025 are anticipated to be £12.6m compared with £20m at 1 April 2024. This represents a substantial investment in the housing stock via the £13.9m capital programme.

## Report of the Chief Finance (Section 151) Officer under Section 25 of the Local Government Finance Act, 2003

33. Section 25 of the Local Government Act 2003 requires the Chief Finance Officer (Section 151 Officer) of a local authority to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. This report must be considered by Cabinet and full Council as part of the budget approval and council tax setting process. This can be found at Appendix 8.

### Robustness of Estimates

34. The Local Government Finance Act 1992 also requires an authority to take due consideration before setting the budget as there is no recourse to setting a further levy during the year, and any unexpected financial event would have to be met from reserves, or by cutting expenditure on services.
35. This budget has been drawn up using the best estimates of the cost of service delivery by those officers delivering the services, under the overall management of the Chief Financial Officer and with professional advice and guidance from the Financial Services team. The basis of estimation has been to take account of all known costs in delivering a set level of service together with any new or amended services that have been approved by Members.
36. It is recognised that during the eighteen months period, from the start of the budget process until the end of that financial year, there are likely to be budgets that have pressures on spending; equally there are budgets that will under spend. The key is to ensure that the position is under control at all times and that timely, effective action is taken where budget issues are identified in year. Financial procedures are in place to ensure that all decisions that affect spending are fully considered before committing the authority, and that effective monitoring is in place.
37. All spending plans are based on the service planning process and the proposed use of reserves and balances conforms to the approach set out in the Financial Strategy.

### Adequacy of Reserves

38. The Chief Financial Officer can confirm that the levels of reserves for both the General Fund and HRA are considered to be adequate to fund the planned expenditure identified by the Council as presented in this report. However, they will need to be monitored and reviewed in the future to ensure that they can be maintained at an adequate level.

### Assurance Statement of the Council's Section 151 Officer

39. The Chief Financial Officer confirms that this budget, as set out above and in the attached appendices, is robust and meets the requirements of the Council for its current spending plans and conforms with the procedures agreed for the use of balances.

## Appendices

- 1 - General Fund Budget Summary 2024/25
- 2 - Council Tax Analysis 2024/25
- 3 - Loughborough Special Expenses 2024/25
- 4 - Council Tax Town and Parish Council Precepts 2024/25
- 5 - HRA Revenue Budget Summary 2024/25
- 6 - General Fund Service Pressures and Savings 2024/25
- 7 - HRA Revenue Service Pressures 2024/25
- 8 - Report of the Chief Financial Officer ('Section 25' report)

## Appendix 1

Actual 2022/23	General Fund Budget Summary	Original Budget 2023/24	Draft Budget 2024/25	Original Budget 2024/25	Movement Draft to Original 2024/25
£000		£000	£000	£000	£000
18,829	Net General Fund Service Expenditure	19,220	21,627	21,627	0
0	Less MRP & Interest & Commercial Reserve	(929)	0	0	0
0	Net Options for Change (Saving)/Pressure		(366)	(366)	0
0	Service Savings (Ongoing)	(417)	(124)	(91)	33
0	Service Savings (Oneoff)	0	(72)	(72)	0
0	Community Grants (Oneoff)	0	100	100	0
0	Service Pressures (Ongoing)	1,931	309	420	111
0	Service Pressures (Oneoff)	579	122	122	0
<b>18,829</b>	Net Service Expenditure	<b>20,383</b>	<b>21,597</b>	<b>21,741</b>	<b>144</b>
85	Revenue Contributions to Capital	0	0	0	0
1,302	EZ LLEP Contribution				0
	MRP Charge	604	611	611	0
280	Interest Paid	230	58	58	0
(1,076)	Less: Interest on Balances	(1,500)	(1,300)	(1,300)	0
<b>19,420</b>	Total Borough Expenditure	<b>19,717</b>	<b>20,965</b>	<b>21,109</b>	<b>144</b>
5	Contribution (from)/to Reinvestment Reserve	500	274	274	0
77	Contribution(from)/to Working Balance	(1,297)	1	1	0
0	Contribution to/(from) business rates pool		(141)	(141)	0
122	Contribution (from)/to Collection Fund	0	0	0	0
(35)	Contribution(from)/ to Capital Plan Reserve	0	(850)	(872)	(22)
200	Contribution(from)/to Commercialisation Reserve	325	26	26	0
(142)	Contribution (from)/to Other Reserves	0	0	0	0
0	Contribution (from)/to Growth Support Fund		0	0	0
<b>19,647</b>	Precept Requirement	<b>19,245</b>	<b>20,274</b>	<b>20,396</b>	<b>122</b>
					0
174	Revenue Support Grant	329	353	350	(3)
6,604	NNDR	6,400	6,800	7,100	300
	Funding Guarantee		3,000	2,474	(526)
7,981	Council Tax Receipts	8,314	8,711	8,634	(76)
1,346	Loughborough Special Levy	1,367	1,410	1,398	(13)
1,631	New Homes Bonus	373	0	404	404
0	Services Grant	0	0	27	27
1,790	General Government Grants	2,462	0	0	0
122	Collection Fund Surplus/(Deficit)	0	0	8	8
<b>19,647</b>	Precept Income	<b>19,245</b>	<b>20,274</b>	<b>20,396</b>	<b>122</b>

<b>Actual 2022/23</b>	<b>Revenue Balances</b>	<b>Final Budget 2023/24</b>	<b>Draft Budget 2024/25</b>	<b>Original Budget 2024/25</b>	<b>Movement Draft to Original 2024/25</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
(6,567)	<b>Working Balance at 1 April</b>	(6,211)	(6,766)	(6,766)	0
0	Use of reserve committed in 2023/24		1,295	1,295	0
(199)	Transfer (from)/to General Fund	1,297	(1)	(1)	(0)
0	Transfer (from)/to Reinvestment Reserve	500	0	0	0
<b>(6,766)</b>	<b>Balance at 31 March</b>	<b>(4,414)</b>	<b>(5,472)</b>	<b>(5,472)</b>	<b>(0)</b>
(495)	<b>Reinvestment Reserve Balance at 1 April</b>	(328)	(500)	(500)	0
	Allocated balance	328	418	418	0
(5)	Transfer (from)/to General Fund	(500)	(274)	(274)	0
<b>(500)</b>	<b>Balance at 31 March</b>	<b>(500)</b>	<b>(356)</b>	<b>(356)</b>	<b>0</b>
(1,909)	<b>Capital Plan Reserve Balance at 1 April</b>	(1,695)	(1,874)	(1,874)	0
	Contribution (from)/to Business Rates Pool		(850)	(872)	
35	Transfer from/(to) General Fund	0	850	872	22
<b>(1,874)</b>	<b>Balance at 31 March</b>	<b>(1,695)</b>	<b>(1,874)</b>	<b>(1,874)</b>	<b>0</b>
0	<b>Growth Support Fund Balance at 1 April</b>		0	0	0
	Transfer (from)/to General Fund				0
<b>0</b>	<b>Balance at 31 March</b>		<b>0</b>	<b>0</b>	<b>0</b>
(3,051)	<b>NDR Deficit COVID Reserve at 1 April</b>	(3,052)	(1,477)	(1,477)	0
1,574	Funding of NDR COVID Deficit	3,052			0
<b>(1,477)</b>	<b>Balance at 31 March</b>	<b>0</b>	<b>(1,477)</b>	<b>(1,477)</b>	<b>0</b>
0	<b>Business Rates Pool Reserve at 1 April</b>	0	0	0	0
0	Monies received in year	0	(1,702)	(1,702)	0
0	Use of reserve 2022/23	0	72	72	0
0	Use of reserve committed in 2023/24	0	135	135	0
0	Use of reserve committed in 2024/25	0	141	141	0
0	Use of reserve committed in 2025/26	0			0
0	Transfer (from)/to Capital Plan Reserve		850	872	
0	Transfer (from)/to General Fund	0	0		0
<b>0</b>	<b>Balance carried forward</b>	<b>0</b>	<b>(505)</b>	<b>(483)</b>	<b>22</b>
(3,344)	<b>Other Revenue Reserve Balances at 1 April</b>	(3,343)	(3,403)	(3,403)	0
(59)	Transfer (from)/to General Fund	(325)	(26)	(26)	0
<b>(3,403)</b>	<b>Balance at 31 March</b>	<b>(3,668)</b>	<b>(3,429)</b>	<b>(3,429)</b>	<b>0</b>
<b>(14,020)</b>	<b>TOTAL BALANCES</b>	<b>(10,277)</b>	<b>(13,111)</b>	<b>(13,090)</b>	<b>22</b>

COUNCIL TAX ANALYSIS 2024/25					
2023/24			2024/25		%
59,186.3		<b>TAX BASE (at CBC collection rate)</b>	59,678.6		Change
16,855.2		<b>LOUGHBOROUGH TAX BASE</b>	16,898.4		Per Band D 0.83
£	£ p		£	£ p	%
19,245,129	325.16	TOTAL BUDGET REQUIREMENT	20,395,951	341.76	5.11
(1,367,125)	(23.10)	Less: Loughborough Special Levy	(1,397,836)	(23.42)	1.39
17,878,004	302.06	Less:	18,998,115	318.34	5.39
(373,187)	(6.31)	New Homes Bonus	(404,254)	(6.77)	7.29
(6,400,000)	(108.13)	NNDR	(7,100,000)	(118.97)	10.02
(2,295,397)	(38.78)	Funding Guarantee	(2,473,608)	(41.45)	6.88
(166,753)	(2.82)	Services Grant	(27,319)	(0.46)	(83.69)
(328,767)	(5.55)	Revenue Support Grant	(350,444)	(5.87)	5.77
8,313,900	140.47		8,642,490	144.82	3.10
0	0.00	Collection Fund (Surplus)/Deficit	(8,190)	(0.14)	0.00
<b>8,313,900</b>	<b>140.47</b>	<b>BASIC BOROUGH PRECEPT</b>	<b>8,634,300</b>	<b>144.68</b>	<b>3.00</b>
		Other Precepts			
4,565,965	77.15	Parishes	4,878,460	81.75	5.96
90,286,510	1,525.46	Leicestershire County Council	95,580,088	1,601.58	4.99
4,692,882	79.29	Combined Fire Authority	4,692,882	78.64	(0.82)
16,171,485	273.23	Police & Crime Commissioner for Leics	16,171,485	270.98	(0.82)
115,716,842	1,955.13		121,322,915	2,032.95	3.98
1,367,125	81.11	SPECIAL LEVY (LOUGHBOROUGH)	1,397,836	82.72	1.99
125,397,867	2,118.70	<b>TOTAL REQUIREMENT</b>	131,355,051	2,201.04	3.89
124,030,742	2,095.60	<b>AVERAGE PARISH PRECEPT</b>	129,957,215	2,177.63	3.91
120,831,902	2,099.56	<b>LOUGHBOROUGH PRECEPT</b>	126,476,591	2,178.60	3.76

Leicestershire County Council provisional figure. LCC Cabinet 9th Feb 2024

Police and Fire precepts - awaiting figures as at 22nd Jan 2024

**LOUGHBOROUGH SPECIAL EXPENSES**

Appendix 3 (Table A)

2023/24		2024/25	2023/24 to		
Loughborough Special Expenses £	Service	Loughborough Special Expenses	2024/25 Difference £	% Variance	Note
96,800	Loughborough CCTV	103,100	6,300	6.1%	1
65,500	Community Grants - General / Fearon Hall / Gorse Covert	65,500	0	0.0%	2
38,000	Marios Tinenti Centre / Altogether Place / Community Hubs	39,000	1,000	2.6%	3
6,700	Charnwood Water Toilets	6,600	(100)	-1.5%	4
39,700	Voluntary & Community Sector Dev Officer post (75% LSX)	41,900	2,200	5.3%	5
126,200	Contribution towards Lough Open Spaces Grounds Maintenance	138,300	12,100	8.7%	6
(9,400)	November Fair	(14,200)	(4,800)	33.8%	7
	<u>Parks:</u>				
352,700	Loughborough - including Loughborough in Bloom	371,800	19,100	5.1%	8
72,200	Gorse Covert and Booth Wood	78,300	6,100	7.8%	9
	<u>Sports Grounds:</u>				
117,500	Derby Road	130,800	13,300	10.2%	10
44,800	Lodge Farm	49,900	5,100	10.2%	11
96,600	Nanpantan	104,800	8,200	7.8%	12
18,600	Park Road	15,400	(3,200)	-20.8%	13
24,800	Shelthorpe Golf Course	49,100	24,300	49.5%	14
56,800	Loughborough Cemetery	71,400	14,600	20.4%	15
50,400	Allotments - Loughborough	57,900	7,500	13.0%	16
9,200	Carillon Tower	10,500	1,300	12.4%	17
55,300	Festive Decorations and Illuminations	51,200	(4,100)	-8.0%	18
105,000	Town Centre Management	102,000	(3,000)	-2.9%	19
1,367,400		1,473,300	105,900	7.2%	
	Adjustments from Year 2022/23	(75,464)			
-275	Adjustments from Year 2021/22				
1,367,125	AMENDED SUB TOTAL	1,397,836			
Divided by 16,855.20	Council Tax Base	Divided by 16,898.40			
<u>81.11</u>	Special Council Tax	<u>82.72</u>			

## Analysis of Budget Movement

## Appendix 3 (Table B)

Service	2023/24 £	Employees £	Operating Costs £	NNDR £	MOS Contract £	Enviromental Services Contract £	Support Services £	Income £	2024/25 £
Loughborough CCTV	96,800	(2,100)	(1,100)				8,800	700	103,100
Community Grants - General / Fearon Hall / Gorse Covert	65,500								65,500
Marios Tinenti Centre / Altogether Place / Community Hubs	38,000			1,000					39,000
Charnwood Water Toilets	6,700		(100)						6,600
Voluntary & Community Sector Dev Officer post (75% LSX)	39,700	2,200							41,900
Contribution towards Lough Open Spaces Grounds Maintenance	126,200				12,100				138,300
November Fair	(9,400)						(4,800)		(14,200)
<u>Parks:</u>	-								-
<i>Loughborough - including Loughborough in Bloom</i>	352,700		(10,000)		15,800	6,000	7,300		371,800
<i>Gorse Covert and Booth Wood</i>	72,200				5,600		500		78,300
<u>Sports Grounds:</u>	-								-
<i>Derby Road</i>	117,500				6,300	1,200	1,800	4,000	130,800
<i>Lodge Farm</i>	44,800				1,800	300	1,300	1,700	49,900
<i>Nanpantan</i>	96,600			(200)	2,400	700	4,300	1,000	104,800
<i>Park Road</i>	18,600				400	500	900	(5,000)	15,400
<i>Shelthorpe Golf Course</i>	24,800			(600)	3,700	700	1,300	19,200	49,100
Loughborough Cemetery	56,800	9,000	31,000	2,200	4,800		7,600	(40,000)	71,400
Allotments - Loughborough	50,400				1,100		6,400		57,900
Carillon Tower	9,200	1,500	(1,000)				800		10,500
Festive Decorations and Illuminations	55,300						(4,100)		51,200
Town Centre Management	105,000	3,800			200		(7,000)		102,000
	<b>1,367,400</b>	<b>14,400</b>	<b>18,800</b>	<b>2,400</b>	<b>54,200</b>	<b>9,400</b>	<b>25,100</b>	<b>(18,400)</b>	<b>1,473,300</b>

## 2024/2025 Council Tax - Parish Precepts

Parish/ Meeting/ Town Council	Precept Requirement	Council Tax Base	Parish/ Special Requirements at Band B
	£		£
Anstey	392,550	2,683.2	146.30
Barkby / Barkby Thorpe	14,990	162.5	92.25
Barrow-Upon-Soar	266,765	2,577.0	103.52
Beeby	-	39.1	0.00
Birstall	502,112	4,601.6	109.12
Burton-on-the-Wolds, Cotes, & Prestwold	35,000	574.9	60.88
Cossington	17,500	220.1	79.51
East Goscote	72,000	935.2	76.99
Hamilton Lee	-	285.5	0.00
Hathern	50,000	885.1	56.49
Hoton	14,674	147.7	99.35
Mountsorrel	589,631	3,084.1	191.18
Newtown Linford	62,599	535.4	116.92
Queniborough	69,575	1,229.5	56.59
Quorndon	349,284	2,578.7	135.45
Ratcliffe-on-the-Wreake	3,500	88.5	39.55
Rearsby	25,972	499.9	51.95
Rothley	209,023	2,348.2	89.01
Seagrave	21,717	284.7	76.28
Shepshed	438,600	5,172.6	84.79
Sileby	281,297	3,064.5	91.79
South Croxton	12,742	134.6	94.67
Stonebow Village	-	73.5	0.00
Swithland	5,500	155.8	35.30
Syston	673,457	4,381.5	153.70
Thrussington	13,500	254.0	53.15
Thurcaston & Cropston	53,379	938.7	56.86
Thurmaston	547,351	2,923.4	187.23
Ulverscroft	-	62.4	0.00
Walton-on-the-Wolds	5,400	132.1	40.88
Wanlip	4,400	86.3	50.98
Woodhouse	97,812	1,005.2	97.31
Wymeswold	48,131	634.7	75.83
	4,878,460	42,780.2	
Loughborough (Special Expenses)	1,397,836	16,898.4	82.72
<b>Total</b>	<b>6,276,296</b>	<b>59,678.6</b>	
<b>Average</b>			105.17

## Appendix 5

2022/23 Actual	Housing Revenue Account	2023/24 Original Budget	2024/25 Draft Original Budget	2024/25 Final Original Budget	Variance
£'000		£'000	£'000	£'000	£'000
	<b>Expenditure</b>				
6,052	Supervision and Management	6,512	7,118	7,216	(98)
7,626	Repairs and Maintenance	7,429	8,385	8,385	0
505	Rents, Rates and Other Charges	291	408	408	0
13	Provision for Bad Debts & Other Charges	118	333	333	0
3,991	Depreciation	3,942	4,278	4,278	0
(331)	Net Revaluation non-current assets increase	0	0	0	0
22	Debt Management Expenses	16	22	22	0
<b>17,878</b>	<b>Expenditure Sub-total</b>	<b>18,308</b>	<b>20,544</b>	<b>20,642</b>	<b>(98)</b>
	<b>Income</b>				
(21,001)	Dwelling Rent Income	(22,711)	(24,582)	(24,582)	0
(398)	Shops, Land and Garages Rent	(402)	(387)	(399)	12
(47)	Warden Service Charges	(49)	(53)	(53)	0
(316)	Central Heating, Cleaning and Communal Charges	(328)	(361)	(336)	(25)
(198)	Leasehold Flat and Shop Service Charges	(160)	(198)	(198)	0
(24)	Hostel Service Charges	(23)	(25)	(25)	0
(8)	Council Tax Recharged	(8)	(8)	(7)	(1)
<b>(21,992)</b>	<b>Income Sub-Total</b>	<b>(23,681)</b>	<b>(25,614)</b>	<b>(25,600)</b>	<b>(14)</b>
<b>(4,114)</b>	<b>Net (income)/Cost of service</b>	<b>(5,373)</b>	<b>(5,070)</b>	<b>(4,958)</b>	<b>(112)</b>
(80)	Transfer from General Fund – Grounds Maintenance	(90)	(97)	(97)	0
2,737	Interest Payable	2,738	2,737	2,738	(1)
(501)	Investment Income	(506)	(517)	(430)	(87)
<b>(1,958)</b>	<b>Net Operating Expenditure/(Income)</b>	<b>(3,231)</b>	<b>(2,947)</b>	<b>(2,747)</b>	<b>(200)</b>
0	Revenue Contribution to Capital	3,231	2,947	2,747	200
(605)	Pension Adjustment	0	0	0	0
18	Accumulated Absence Adjustment	0	0	0	0
331	Reversal of Gain on Revaluation	0	0	0	0
<b>(256)</b>	<b>Appropriations</b>	<b>3,231</b>	<b>2,947</b>	<b>2,747</b>	<b>200</b>
<b>(2,214)</b>	<b>(Surplus)/Deficit for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>2022/23</b>	<b>Housing Revenue Account</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2024/25</b>	<b>Variance</b>
<b>Actual</b>		<b>Original</b>	<b>Draft Original</b>	<b>Final Original</b>	
<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
(606)	HRA Balance at beginning of year	(603)	(598)	(598)	0
(2,214)	(Surplus)/Deficit for the year	0	0	0	0
2,217	Transfer to/(from) Reserves	(1,826)	1	1	0
0	Adjustments to 2023/24 Budget	1,831	0	0	0
<b>(603)</b>	<b>HRA Balance at end of year</b>	<b>(598)</b>	<b>(597)</b>	<b>(597)</b>	<b>0</b>
(14,576)	<b>HRA Financing Fund at beginning of year</b>	(16,793)	(14,967)	(14,967)	0
(2,217)	Transfer (to)/from Reserves	1,826	1	1	0
0	Revenue Contribution to Capital	0	2,869	2,951	(82)
<b>(16,793)</b>	<b>HRA Financing Fund at end of year</b>	<b>(14,967)</b>	<b>(12,097)</b>	<b>(12,015)</b>	<b>(82)</b>
<b>(4,475)</b>	<b>Major Repairs Reserve at end of year</b>	<b>(4,475)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(21,871)</b>	<b>Overall HRA balances at end of the year</b>	<b>(20,040)</b>	<b>(12,694)</b>	<b>(12,612)</b>	<b>(82)</b>

**Table 1 - Inflation**

Head of Service	Service	Account	Amount	Description
Head of Governance and Human Resources	Corporate Management	Professional Fees	7,000	Inflationary increases for professional fees
Head of Governance and Human Resources	Civic Expenses	Mayoral Allowance	500	Mayoral allowance increases in line with salary increases
Head of Transformation, Strategy and Performance	HR	Software Annual Charges	7,000	Inflationary increases for software charges
Head of Transformation, Strategy and Performance	HR	Leicester County Council	11,000	SLA HR increases in line with salary increases
Head of Governance and Human Resources	Audit & Risk	Consultant Fees	2,600	SLA H&S Consultant with LCC increases in line with salary increases
Head of Governance and Human Resources	Audit & Risk	Internal Auditors	10,000	SLA NWLDC increases in line with salary increases
Head of Governance and Human Resources	Legal Services	Software Annual Charges	7,300	Inflationary increases for software charges
Head of Governance and Human Resources	Register of Electors	Software Annual Charges	2,000	Inflationary increases for software charges
Head of Governance and Human Resources	Democratic Svs	Member Allowance	18,700	Members allowances increases in line with salary increases
Head of Governance and Human Resources	Emergency Planning	Emergency Planning	1,700	Local Resilience Forum (salary time) increases in line with salaries
Customer Experience	ICS	Software Annual Charges	18,500	5% inflationary increase to Annual Software charges
Customer Experience	ICS	Azure Overage Costs	28,000	5% inflationary increase to Azure Overage in costs
Head of Strategic Housing	Private Sector Alarm System	Oadby and Wigston BC Contract Income	(400)	Additional income through charge rises
Head of Strategic Housing	Private Sector Alarm System	Private Lifeline Charges	(16,100)	Additional income through charge rises
<b>Total Inflation Pressure</b>			<b>90,800</b>	

**Table 2 - Ongoing Pressures**

Head of Service	Service	Account	Amount	Description
Head of Regulatory and Community Safety	Beehive Lane Multi Storey Car Park	Season Tickets-Car Park	11,400	Following COVID and how lifestyles have changed since
Head of Regulatory and Community Safety	Southfields Car Parks	Staff Car Parking Charges	9,000	Following COVID and how lifestyles have changed since
Head of Regulatory and Community Safety	Southfields Car Parks	Capita Car Park Charges	2,000	Following COVID and how lifestyles have changed since
Head of Regulatory and Community Safety	Granby Street Shoppers Car Park	Parking Penalty/Fine	1,000	Following COVID and how lifestyles have changed since
Head of Contracts: Leisure,Waste and Environment	Refuse Collection	Environmental Services Variation	30,000	Contract variation to comply with new EA Legislation on POPs (soft furnishing)
Head of Planning and Growth	Building Control	Employee Costs	10,500	BC Trainee
Head of Finance	Managed Savings	Employee Costs	100,000	Additional salary provision
Head of Finance	External Financial Overheads	Bank Charges	40,000	Increasing charges due to the way CBC collect receipts
Head of Contracts: Leisure,Waste and Environment	Leisure Services		216,000	
<b>Total Ongoing Pressures</b>			<b>419,900</b>	

**Table 3 - One-Off Pressures**

Head of Service	Service	Account	Amount	Description
Head of Contracts: Leisure,Waste and Environment	Loughborough Cemetery	Sub contractors	31,000	Memorial Testing
Head of Regulatory and Community Safety	Beehive Lane Multi Storey Car Park	Car Parks charges	50,800	Pending Car Park Review Strategy
Head of Regulatory and Community Safety	Browns Lane (Leisure Centre) Car Park	Car Parks charges	6,400	Pending Car Park Review Strategy
Head of Regulatory and Community Safety	Southfields Car Parks	Car Parks charges	3,800	Pending Car Park Review Strategy
Head of Regulatory and Community Safety	Granby Street Shoppers Car Park	Car Parks charges	16,800	Pending Car Park Review Strategy
Head of Regulatory and Community Safety	Southfields Extension Car Park	Car Parks charges	13,500	Pending Car Park Review Strategy
<b>Total One-Off Pressures</b>			<b>122,300</b>	

**Table 4 - Ongoing Savings**

Head of Service	Service	Account	Amount	Description
Head of Regulatory and Community Safety	Street Management Team	LCC Reimbursement	(22,500)	Net increase for LCC street management reimbursement
Head of Contracts: Leisure,Waste and Environment	Loughborough Cemetery	fees	(31,000)	Cemetery income based on current figures
Head of Assets and Property	Southfields Offices	Southfields Office Rent	(3,500)	Increase in floor space at Southfields from Oct23 - Nov25
Director Commercial and Economic Development	Market Street Commercial Property	Commercial Properties Rent	(34,200)	Tenancy agreed from 25/03/2024
<b>Total Ongoing Savings</b>			<b>(91,200)</b>	

**Table 5 - One-Off Savings**

Head of Service	Service	Account	Amount	Description
Head of Strategic Housing	Housing Standards Licensing Scheme	Housing Standards Licences (Metastreet)	(51,700)	Licence Fee income relating to Housing Standards Licence Scheme
Head of Strategic Housing	Head of Strategic Housing	Dept Communities and Local Government	(11,100)	Additional grant to cover salaries
Head of Strategic Housing	Housing Standards	Dept Communities and Local Government	(8,800)	Additional grant to cover salaries
<b>Total One-Off Savings</b>			<b>(71,600)</b>	

Table 1 - HRA Inflation

Service	Account	Amount	Description
Responsive Repairs	HRA - General Repairs	326,300	Materials, deliveries, labour and contractor inflationary cost increases.
Tenancy & Estate Management	Contract Cleaning	18,000	Inflationary costs recovered by a higher service charge.
Housing Income Team	Software Annual Charges	19,300	For software covering rental analytics which supports the identification of rent arrears cases that income officers need to focus on. It was introduced in 2020 and rent collection and arrears performance has improved year on year since.
		<b>363,600</b>	

Table 2 - HRA Pressures Ongoing

Service	Account	Amount	Description
Responsive Repairs	Door Entry Maintenance	15,000	Demand led service which is expected to increase.
Responsive Repairs	Legal Costs / Court Fees	200,000	Disrepair costs rapidly increasing due to Barrister charges. Nationally, there has been an increase in disrepair claims.
Responsive Repairs / Capital Team	Salaries	129,900	Three additional resident liaison officers are needed to both prevent and support the response to complaints and improve the customer experience around repairs. The context is a national increase in housing repairs complaints of around 78%, and a relatively new requirement under the Housing Ombudsman's Complaint Handling Code to respond to each complaint formally in writing.
Housing Income Team	Salaries	43,300	To make permanent a temporary post - Universal credit Officer. This post was introduced several years ago to support tenants to transfer on to and claim Universal Credit successfully and therefore to sustain rental income and prevent evictions. The government roll out of Universal Credit has been intermittent, however continues. The post has been resourced on an annual basis from underspends, with the duration of the post each year. This pressure clarifies the correct budget for the continuation of the post.
Tenancy & Estate Management	Estate Maintenance	98,600	Declassification of properties designated for allocation to people aged 45 years +
Tenancy & Estate Management	Estate Maintenance	38,100	Demand led service - more items are being discarded in communal areas at Council accommodation. The Council must keep these areas clear to comply with its fire safety duties.
Business Support	Salaries	12,600	To strengthen the resilience of the Leaseholder service. Spend to save.
		<b>537,500</b>	
	<b>Overall Total</b>	<b>901,100</b>	

**Report of the Chief Financial Officer ('Section 25' report)**

The Local Government Act 2003 (Section 25) requires that when a local authority is agreeing its annual budget and precept, the Chief Finance Officer must report to it on the following matters:

- The robustness of the estimates made for the purposes of the calculations
- The adequacy of the proposed financial reserves.

The authority must have due regard to the report when making decisions on the budget and precept.

The Chief Finance Officer for the Borough Council is Simon Jackson (Director of Finance, Governance and Contracts).

In expressing his opinion, the Chief Finance Officer has considered the financial management arrangements that are in place, the budget assumptions, the overall financial and economic environment, the financial risks facing the Council, the level of reserves, and its overall financial standing.

The Chief Finance Officer considers that the Council has robust financial management arrangements. This can be evidenced by the Council's consistent record in preparing the statutory financial statements in line with the required statutory timetable and receipt of unqualified audit reports from the external auditor. Further detail of the financial and wider Council governance arrangements are set out in the Annual Governance Statement which is presented alongside the latest audited financial statements for 2022/23.

The assumptions which underpin the budget were developed through a detailed iterative process involving officers and members representing service areas across the Council. The following may be noted:

- Business rate retention – this is a complex area and funding can be volatile with small changes within detailed assumptions and calculations creating material differences to the funding released; however, the Council works closely with its professional advisers and has developed a sophisticated business rate retention model and the resultant estimates are considered robust
- Income and savings targets incorporated into the budget represent a prudent assessment of a portfolio of realistic options for income and savings developed through the budget process, allowing for implementation time and optimism bias
- Of the £1.9m Leicestershire business rates pool money due to the Council, allocated between revenue and capital budgets in line with the agreement between member authorities, some £1.3m has already been received, whilst the balance due is considered unlikely to differ materially from the projected £0.6m

The overall financial and economic environment, and the outlook for future government funding (2025/26 and beyond) remains difficult and uncertain, and there seems little doubt that careful management of the Council's finances will be required in the medium term.

The key financial risks to the Council remains the future level of government funding combined with the persistent challenge of costs increasing faster than income. There are also specific financial risks in service areas such as homelessness, housing benefit losses associated with supported living accommodation and the as yet unknown costs associated with the implementation of the Environment Act 2021.

In recent months a number of Councils have been required to issue 'Section 114' notices. In most of these cases to date there have been specific circumstances beyond the general funding pressures on the sector. Where district councils have run into difficulties this has usually been associated with high levels of general fund debt which has become increasingly expensive to service as interest rates have risen. It is worth noting that the Council's general fund debt is just £2m (arising from a longstanding loan taken out in 1984), an amount which is due for repayment in June 2024. High indebtedness is therefore NOT a risk for this Council.

Further details are set out with the Medium Term Financial Outlook 2024 - 2027 (MTFO) presented at the Council meeting in February 2024, alongside this final budget report.

Historically, the minimum appropriate general funding working balance has been assessed by the Chief Financial (s151) Officer as equating to around six weeks of net general fund expenditure, or £2.5m. This is being reviewed as part of the MTFO. The budget for 2024/25 projects that the working balance at 31 March 2025 will be £5.5m. Notwithstanding future uncertainty, this level of reserve can be considered as adequate.

Simon Jackson

February 2024