

21st November 2024

REPORT OF THE LEADER OF THE COUNCIL

DRAFT BASE BUDGET FORECASTS 2025/26 to 2029/30

Purpose

To inform Members of the re-priced base budget for 2025/26, base budget forecasts for the period 2025/26 to 2029/30 (the 5 Year Medium Term Planning Period) and the underlying assumptions and to consider the future strategy to address the financial trends.

Recommendations

That:

- 1. the technical adjustments and re-priced base budget figures for 2025/26 and indicative budgets to 2029/30 be approved (as attached at Appendix B, C, D, E, F, G and H);**
- 2. consideration be given to the proposed Policy Changes and Capital Programmes, as detailed within the report;**
- 3. consideration be given to the planned changes to Council Tax and Housing Rent for 2025/26, as detailed within the report; and**
- 4. in compliance with the Constitution of the Council, note that the Leader's Budget Workshop were due to consider the budget proposals contained within this report on 18th November 2024.**

Executive Summary

The following detailed budget information is contained within the report:

Re-priced base budget information (and the associated technical adjustments) for 2025/26 in respect of the General Fund (GF) and Housing Revenue Account (HRA);

A five year, medium term financial forecast for the General Fund and HRA;

The associated strategy to address the financial trends and projection;

The Provisional Capital Programmes for the General Fund and Housing Revenue Account for the period 2025/26 to 2029/30.

When Council approved the 2024/25 Budget and Medium Term Financial Strategy in February 2024, significant uncertainties around the Council's finances remained, pending an update on the previous Government's planned fair funding review & business rates reset, as well as significant cost pressures arising from the current economic situation.

The budget announced in October 2024, by the Chancellor confirmed that the government is committed to reforming the approach to funding allocations within the Local Government Finance Settlement by redistributing funding to ensure that it reflects an up to date assessment of need and local revenues. This will start with a targeted approach to allocating additional funding in 2025/26, ahead of a broader redistribution of funding through a multi-year settlement from 2026/27.

This report **does not include** the impact of any of the changes, including the increase in Employers National Insurance contributions, announced in the October Budget. Further details relating to local government finance will be revealed by the Government, through an upcoming policy statement and the impact of these changes will be included in the report to Cabinet on the 23rd January 2025.

There is a high risk that these reforms will have a significant effect on the Council's funding level from 2025/26.

As part of the Local Government Funding Settlement announced on 5th February 2024, the Government announced the requirement for local authorities to prepare a Productivity Plan which was to be published by July 24. This plan was to be agreed by Council Leaders and members and published on the Council's website, and was required to cover:

- 1) transformation of services to make better use of resources;
- 2) opportunities to take advantage of advances in technology and make better use of data to inform decision making and service design;
- 3) ways to reduce wasteful spend within systems, including specific consideration of expenditure on consultants and discredited staff Equality, Diversity and Inclusion programmes – this does not include programmes designed to promote integration and civic pride, and counterextremism; and
- 4) barriers preventing activity that the Government can help to reduce or remove.

The Productivity Plan gives consideration to increasing income, reviewing services, tackling persistent over and underspends with a view to becoming financially sustainable over the medium term.

The Productivity Plan for Tamworth was presented to Corporate Scrutiny on 25th June and was approved by Cabinet on 27th June 2024.

There remains a high degree of uncertainty arising from the announcements in the October 2024 Budget as to the funding allocations for the Council for 2025/26 and future years. The main funding streams determined by the settlement are detailed in the paragraphs below.

The Council receives funding from 4 main funding streams –

- Revenue Support Grant
- Business Rates
- Specific Grants and
- Council Tax

The base budget assumes that these funding streams will increase in line with the original assumptions used in the MTFS reported February 2024 over the period 2025/26 to 2029/30.

There are also further uncertainties arising from cost pressure and inflationary increases which have compounded price increases for supplies that are required for building or construction/maintenance works.

An increase in the cost of repairs has been included in the MTFS due to market cost pressures. The RICS through their Building cost indicator service (BCIS) have predicted increasing tender prices over the next few years so this is likely to impact on existing contracts. There is the risk that if costs continue to increase in excess of CPI, contractors will seek further uplifts. The impact on planned work is that less work will be done, this will extend the renewal period for key components which will increase demand on responsive repairs. The volume of responsive repairs is unlikely to change.

Income from the commercial/industrial portfolio held up during the pandemic, but underlying market issues and the increase in online shopping mean that there is an immediate risk in relation to the income achievable from the Council's commercial property portfolio, which is likely to result in a significant loss of income.

Financial resilience is and has been the key requirement for local authorities at any time, but in the current crisis it has assumed unprecedented importance.

The overriding goal is to make sure our organisation remains fit for the future, while protecting services to the most vulnerable in our community – Members will face difficult decisions around prioritising services, when faced with significant changes in funding.

Corporate Management Team (CMT) and Cabinet review the most up-to-date budget forecasts on a quarterly basis and discuss the delivery of savings to support our Medium Term Financial Strategy (MTFS).

2025/26 Base Budget

As a result of the updated base budget, the projections now identify General Fund balances of £5.0m by 2025/26 (compared to £5.9m), a shortfall of £7.0m by 2027/28 (compared to a shortfall of £3.6m), with a shortfall of £19.1m by 2029/30.

With regard to the Housing Revenue Account, a 5 year MTFS was approved by Council including significant investment in meeting future housing needs to sustain the HRA in the longer term.

As a result of the updated base budget, the projections now identify HRA balances of £2.4m by 2025/26 (compared to £4.7m as part of the approved MTFS forecast in February 2024), £2.6m by 2027/28 (compared to £7.7m), with balances of £4.0m by 2029/30.

This includes the additional cost pressures of £6.8m p.a over 5 years identified to date in the proposed HRA policy changes but it does not include the anticipated cost pressures for the HRA capital programme arising from the ongoing work in updating the 30 year HRA business plan.

The MTFS included a forecast increase of 3% p.a. based on the formula allowed under the Rent Setting Guidance of CPI plus 1%. Given the current level of CPI of 1.7% (September 2024), the budgeted increase for 2025/26 will be 2.7% in line with the maximum allowed by the Government’s Rent Standard - that social housing rents can increase to include ‘up to’ a factor of the consumer price index (CPI) measure of inflation (for September of the preceding year) plus 1%. This has been the case since 2020, and we have assumed that this will continue for 2025/26. Each 1% increase would equate to additional income of c.£226k p.a. (£1.13m over 5 years).

The key uncertainties which will inform further budget considerations before the final budget proposals are developed are:

- Future Government financial support and Revenue Support Grant levels for future years - the budget setting process has faced significant constraints in Government funding in recent years - following years of austerity.
- Energy efficiency is likely to be a significant feature across all our property portfolio including Council Housing. The commitment to achieve zero carbon within our own operations will present difficulties when considering our historic buildings like the Assembly Rooms, Castle and Town Hall. It is likely that investment in the property portfolio will be needed which has not yet been quantified and will need to be considered in future, in line with the Corporate Capital Strategy and Asset Strategy objectives.
- Local Government pay for 2024/25 was agreed in October 2024 which saw an increase of £1,290 on all pay points up to and including SCP43, with a 2.5% increase for all pay above this point. Future years remain uncertain, but a 2.5% p.a. increase has been assumed for 2025/26 and future years.
- Challenge to continue to achieve high collection rates for council tax, business rates and housing rents – in light of the welfare benefit reforms and the impact of cost pressures on economic conditions and uncertainty.

Options Considered

As part of the budget setting process a number of options for the council tax increase levels for 2025/26 and future years have been modelled / considered.

Council Tax	Option Modelled / Considered
Model 1	2.95% increase (£5.98) in Council tax in 2025/26 (followed by increases of 2.95% p.a.) as included in the MTFS
Model 2	£5.00 increase (2.41%) in Council tax in 2025/26 (followed by increases of £5.00 p.a.)
Model 3	2.99% increase (£6.06) in Council tax in 2025/26 (followed by increases of 2.99% thereafter)
Model 4	0% increase in Council tax in 2025/26 (followed by increases of 0% thereafter)

Rent	Option Modelled / Considered
CPI plus 1%	The Government previously confirmed that social housing rents can increase to include 'up to' a factor of the consumer price index (CPI) measure of inflation plus 1% for five years from 2020, following the conclusion of a consultation on the new rent standard
CPI	General increase in line with CPI
No increase	No general increase in annual rent

Resource Implications

The detailed financial and budgetary implications are outlined within the report.

A further update will be reported to Cabinet on 23rd January 2025, which will include the impact of changes made in the budget on 30th October where appropriate, before the Final Budget Report is presented to Cabinet and Full Council in February 2025.

Legal / Risk Implications

The Council's constitution requires Cabinet publish initial proposals for the budget, having first canvassed the views of local stakeholders as appropriate - budget proposals will be referred to the Joint Scrutiny Committee (Budget) for further advice and consideration.

In line with the constitution a Leaders Budget Workshop has been arranged for 18th November 2024. In order to allow Scrutiny Committees to respond to the Cabinet on the outcome of their deliberations, a meeting of the Scrutiny Committee (Budget) has been arranged for 28th January 2025. Proposed amendments to the 2024/25 base budget, approved by Council on 27th February 2024, are detailed within the report.

Risks to Capital and Revenue Forecasts:

Risk	Control Measure
Major variances to the level of grant / subsidy from the Government (including specific grants e.g. Benefits administration, Business Rates Section 31 funding); (High)	Sensitivity modelling undertaken to assess the potential impact in the estimation of future Government support levels; (High / Medium)
Potential 'capping' of council tax increases by the Government or local Council Tax veto / referendum; (Medium)	Previous indications were that increases of 2% risk 'capping' (3% or £5 for District Councils); (Low)
The achievement / delivery of substantial savings / efficiencies will be needed to ensure sufficient resources will be	A robust & critical review of savings proposals will be required / undertaken before inclusion within the forecast;

Risk	Control Measure
available to deliver the Council's objectives through years 3 to 5. Ongoing; (High)	(High/Medium)
Pay awards greater than forecast; (Medium)	The Pay award for 2024/25 has been agreed in October 2024. Increases of 2.5% p.a. assumed from 2025/26.; (High / Medium)
Pension costs higher than planned / adverse performance of pension fund; (Medium)	Regular update meetings with Actuary; Option to 'freeze' the 'lump sum' element for the 3 years from 2023/24 to 2025/26 (after the triennial review during 2022), followed by 1% p.a. year on year increases included from 2026/27; (Medium/Low)
Assessment of business rates collection levels to inform the forecast / budget (NNDR1) and estimates of appeals, mandatory & discretionary reliefs, cost of collection, bad debts and collection levels; New burdens (Section 31) grant funding for Central Government policy changes – including impact on levy calculation; (High)	Robust estimates included to arrive at collection target. Ongoing proactive management & monitoring will continue; Business Rates Collection Reserve - provision of reserve funding to mitigate impact of any changes in business rate income levels; Monitoring of the situation / regular reporting; (High / Medium)
Local Council Tax Reduction scheme potential yield changes and maintenance of collection levels due to potential increases in unemployment; (High)	Robust estimates included. Ongoing proactive management & monitoring (including a quarterly healthcheck on the implications on the organisation – capacity / finance) will continue; (High / Medium)
Achievement of income streams in line with targets in light of the economic conditions e.g. treasury management interest, car parking, planning, commercial & industrial rents etc.; (High / Medium)	Robust estimates have been included; Ongoing management & monitoring will continue; (Medium)
Continue to achieve high collection rates for council tax, business rates and housing rents – in light of the welfare benefit reforms and the impact of cost pressures on economic conditions and uncertainty (Medium)	Robust monitoring and evaluation of the situation (Medium)
Impact of potential conflict in Middle East resulting in volatile financial markets/impact on oil prices and consequential inflation/energy price increases. (High / Medium)	Robust monitoring and evaluation of the situation (Medium)
Delivery of the capital programme (GF /	Robust monitoring and evaluation – should

Risk	Control Measure
HRA – including Regeneration schemes) dependent on funding through capital receipts and grants (including DFG funding through the Better Care Fund); (High / Medium)	funds not be available then schemes would not progress; (Medium)
Dependency on partner organisation arrangements and contributions e.g. Waste Management (SCC/LDC). (High / Medium)	Memorandum of Understanding in place with LDC. (Medium)
Maintenance and repairs backlog for corporate assets – and planned development of long term strategic plan to address such. (High / Medium)	Planned development of long term strategic corporate capital strategy and asset management plans to consider the requirements and associated potential funding streams. (Medium)

Report Author

If Members would like further information or clarification prior to the meeting please contact Joanne Goodfellow, Interim Executive Director Finance ext. 241.

Background Papers:-	Corporate Vision, Priorities Plan, Budget & Medium Term Financial Strategy 2024/25, Council 27 th February 2024
	Budget and Medium Term Financial Planning Process 2025/26, Cabinet 29 th August 2024

Base Budget Forecast 2025/26 to 2029/30

Revisions / updates have been made to the 2024/25 base budget in order to produce an adjusted base for 2025/26 and forecast base for 2026/27 onwards.

This report does not include the impact of changes made in the budget on 30th October 2024 these will be reported to Cabinet on 23rd January 2025.

General Fund Revenue

Forecast – When the budget for 2024/25, and indicative budgets for 2025/26 to 2028/29, were approved by Council in February 2024 it was anticipated that balances would remain above the minimum approved level of £0.5m for the 3 year period.

As a result of the updated base budget, the projections now identify General Fund balances of £5.0m by 2025/26 (compared to £5.9m), a shortfall of £7.0m by 2027/28 (compared to a shortfall of £3.6m), with a shortfall of £19.1m by 2029/30.

The forecast has been updated to include:

Change:	Budget Impact
<i>Savings / increased income</i>	
Balances b/f from 2023/24 due to additional underspend	£(413)k 24/25 only
<i>Additional costs / reduced income</i>	
Projected outturn Q2 2024/25	£778k 24/25 only
Proposed Policy Changes	£5.1m over 5 years from 25/26

The previously approved policy changes are included within this forecast – Assistant Directors were issued with the provisional information in August to review, confirm & resubmit by the end of September.

Balances held within earmarked reserves for Transformation and Business Rates retention will also be available to support the development of the budget and MTFS.

Implications & Options

Consideration of the level of Council tax increases over the 5 year period is also needed to account for potential ‘capping’ by the Government or a local referendum / veto and to ensure that balances are maintained at the minimum approved level of £0.5m.

Decisions on future funding will need to be made with reference to the Council’s Corporate Priorities together with the feedback and issues raised by the budget consultation exercise. There is a need to consider how the limited resources can be ‘prioritised’ (and whether service improvements in a priority area should be met from service reductions elsewhere).

Responses / indications from Scrutiny Committees on priority areas for the future allocation of resources will be sought, as part of the consultation required by the constitution.

Housing Revenue Account

Forecast – When the budget for 2024/25, and indicative budgets for 2025/26 to 2028/29, were approved by Council in February 2024 it was anticipated that balances would remain above the minimum approved level of £0.5m for the 5-year period.

With regard to the Housing Revenue Account, a 5 year MTFs was approved by Council including significant investment in meeting future housing needs to sustain the HRA in the longer term.

As a result of the updated base budget, the projections now identify HRA balances of £2.4m by 2025/26 (compared to £4.7m as part of the approved MTFs forecast in February 2024), £2.6m by 2027/28 (compared to £7.7m), with balances of £4.0m by 2029/30.

This includes the additional cost pressures of £6.8m p.a over 5 years identified to date in the proposed HRA policy changes but it does not include the anticipated cost pressures for the HRA capital programme arising from the ongoing work in updating the 30 year HRA business plan).

The forecast has been updated to include:

Change:	Budget Impact
<i>Savings / increased income</i>	
Updated balances b/f from increased underspend	(£282k) 24/25 only
<i>Additional costs / reduced income</i>	
Projected outturn Q2 2024/25	£449k 24/25 only
Proposed Policy Changes	£6.8m over 5 years from 25/26

Detailed Considerations

Base Budget Forecasts 2025/26 to 2029/30

Revisions / updates have been made to the 2024/25 base budget in order to produce an adjusted base for 2025/26 and forecast base for 2026/27 onwards. These changes, known as technical adjustments, have been informed by feedback from budget managers and calculated to take account of:

- virements approved since the base budget was set;
- the removal of non-recurring budgets from the base;
- the effect of inflation;
- changes in payroll costs and annual payroll increments;
- changes in expenditure and income following decisions made by the Council;
- other changes outside the control of the Council such as changes in insurance costs and reduction in grant income;
- The 'Zero base budgeting' review of income levels.

General Fund – Technical Adjustments Summary

Technical Adjustments	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000	£'000	£'000	£'000	£'000
Base Budget B/Fwd	8,183	10,870	12,896	13,178	13,558
Committee Decisions	1,509	859	13	6	-
Inflation	51	48	61	63	64
Other	494	587	185	30	139
Pay Adjustments	633	532	23	281	283
Revised charges for non-general fund activities	-	-	-	-	-
Virements	-	-	-	-	-
Total / Revised Base Budget	10,870	12,896	13,178	13,558	14,044

*The figures above **exclude** the proposed Policy Changes for 2025/26 onwards

The technical adjustments are shown in detail at **Appendix B** with a summary by Directorate at **Appendix D**. The key assumptions made during the exercise are summarised at **Appendix A**.

Future Revenue Support Grant & Business Rate Income

There remains a high degree of uncertainty arising from the most significant changes in Local Government funding for a generation. The Government is committed to reforming the approach to funding allocations within the Local Government Finance Settlement by redistributing funding to ensure that it reflects an up- to-date assessment of need and local revenues and will set out further details through an upcoming local government finance policy statement.

There is a high risk that these reforms will have a significant effect on the Council’s funding level in the future, specifically from the revised treatment of:

- Forecast levels of growth / contraction in business rates – including the level of void properties and unpaid business rates;
- The estimated level of mandatory and discretionary reliefs;
- The estimated level of refunds of Business Rates following the Appeal process – especially following the planned changes in rateable values arising from the Business Rates Revaluation from April 2023;
- the treatment of Section 31 grant funding (including Small Business Rate Relief Grant) – which could affect the calculation of any levy payment and thereby reduce retained Business Rate income; and
- the approach to distributing funding in 2025/26 and future years and any transitional policy introduced

It will be late December when the draft situation for 2025/26 will be known - when the Draft Local Government Finance Settlement is published.

Revenue Support Grant (RSG)

For future years (post 2025/26), it has been assumed that there will be an inflationary increase in Revenue Support Grant, as detailed below.

BASE BUDGET	2025/26	2026/27	2027/28	2028/29	2029/30
	£	£	£	£	£
Revenue Support Grant	328,452	335,021	341,722	348,556	355,527
% Increase / (Reduction)	2.00%	2.00%	2.00%	2.00%	2.00%

Business Rate Income

The MTFS reported in February 2024 assumed that from 2026/27 onwards, the current retained growth will be redistributed as part of the business rates. The latest base budget forecast has maintained this position as it is assumed indicative figures will be available when the draft settlement figures are released in December 2024.

BASELINE	2025/26	2026/27	2027/28	2028/29	2029/30
	£	£	£	£	£
MTFS Forecast (February 2024):					
Retained Business Rates	15,407,082	15,715,224	16,029,528	16,350,119	16,677,121
Less: Tariff payable	(12,361,073)	(13,138,695)	(13,401,468)	(13,669,498)	(13,942,888)
Total SFA	3,046,009	2,576,529	2,628,060	2,680,621	2,734,233
% Reduction	-1.47%	-15.41%	2.00%	2.00%	2.00%
Base Budget Forecast (October 2024):					
Retained Business Rates	15,407,082	15,715,224	16,029,528	16,350,119	16,677,121
Less: Tariff payable	(12,361,073)	(13,138,695)	(13,401,468)	(13,669,498)	(13,942,888)
Total SFA	3,046,009	2,576,529	2,628,060	2,680,621	2,734,233
% Reduction	-1.47%	-15.41%	2.00%	2.00%	2.00%
Increase / (Decrease)	-	-	-	-	-

New Homes Bonus (NHB)

Furthermore, there remains uncertainty over the ongoing funding for the New Homes Bonus scheme, as it has been 'rolled over' for another year in 2024/25, with allocations made for that year only.

The Government consulted on the future of the New Homes Bonus in 2021 and set out its intention to hold a consultation on the future of the New Homes Bonus, with a view to implementing reform in 2023/24.

However, the government subsequently announced additional funding for both 2023/24 and 2024/25:

BASE BUDGET	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
NHB	£	£	£	£	£	£
MTFS Forecast (February 2024)	503,000	-	-	-	-	-
Base Budget Forecast (November 2024)	503,000	-	-	-	-	-
Increased / (Reduced) income	-	-	-	-	-	-

No New Homes Bonus income has been forecast for 2025/26 pending the consultation.

Forecast

Using the funding forecast and assuming increases in Council Tax of 2.95% per annum for 2025/26 onwards, the five year base budget forecast is as follows:

Summary	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000	£'000	£'000	£'000	£'000
Estimated Net Cost of Services	10,870	12,896	13,178	13,558	14,044
Proposed Policy Changes / Additional Costs Identified	803	1,147	1,148	1,042	956
Net Expenditure	11,673	14,043	14,326	14,600	15,000
Financing:					
RSG	328	335	342	349	356
Collection Fund Surplus	27	27	27	27	27
Collection Fund Surplus	-	-	-	-	-
Tariff Payable	(12,361)	(13,139)	(13,401)	(13,669)	(13,943)
Non Domestic Ratepayers	15,407	15,715	16,030	16,350	16,677
Council Tax Income	4,941	5,130	5,326	5,528	5,738
Gross Financing	8,342	8,068	8,324	8,585	8,855
Surplus(-)/Deficit	3,331	5,975	6,002	6,015	6,145
Balances Remaining (-) / Overdrawn	(5,489)	486	6,488	12,503	18,648

Per Council, 27 th February 2024	(5,923)	(1,197)	3,625	8,645
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Band D Equivalents	23,679	23,879	24,079	24,279	24,479
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*The figures above **include** the proposed Policy Changes for 2025/26 onwards

As a result of the updated base budget, the projections now identify General Fund balances of £5.0m by 2025/26 (compared to £5.9m), a shortfall of £7.0m by 2027/28 (compared to a shortfall of £3.6m), with a shortfall of £19.1m by 2029/30 (including the minimum level of balances £500k).

A detailed summary of the budget for 2025/26 is attached at **Appendix F** with 5 years attached at **Appendix G**.

Future Strategy

Due to the uncertain financial forecast in the longer term, there is a need to reconsider the inclusion of items contained within the forecast / budget:

1) *Variations to Council Tax Policy/Strategy*

For future years potential 'capping' of the increase by the Government or a proposed local council tax referendum/veto needs to be considered when setting future Council Tax increases. The Council's Band D Council Tax is currently £202.70.

The indication is that the 'capping' threshold for District Councils will be the higher of £5 or 3.0%.

Council Tax	Option Modelled / Considered
Model 1	2.95% increase (£5.98) in Council tax in 2025/26 (followed by increases of 2.95% p.a.) as included in the MTFS
Model 2	£5.00 increase (2.41%) in Council tax in 2025/26 (followed by increases of £5.00 p.a.)
Model 3	2.99% increase (£6.06) in Council tax in 2025/26 (followed by increases of 2.99% p.a.)
Model 4	0% increase in Council tax in 2025/26 (followed by increases of 0% p.a.)

Model 1 Impact of 2.95% increase (£5.98) in Council tax in 2025/26 (followed by increases of 2.95% p.a.) as included in the MTFS

Year:	2025/26	2026/27	2027/28	2028/29	2029/30
Forecast:	£'000	£'000	£'000	£'000	£'000
Surplus (-)/Deficit	3,330	5,973	6,003	6,015	6,145
Balances Remaining (-) / Overdrawn	(5,490)	483	6,487	12,502	18,646
£ Increase	5.98	6.16	6.34	6.52	6.72
% Increase	2.95%	2.95%	2.95%	2.95%	2.95%
Note: Resulting Band D Council Tax	208.68	214.84	221.18	227.70	234.42

*The figures above **include** the proposed Policy Changes for 2025/26 onwards

Indicating a potential shortfall in General Fund balances of approx. £6.9m over 3 years (with a shortfall of £13m over 4 years and £19.1m over the 5 year period) - including the minimum approved level of £0.5m.

In order to consider alternative options, the following scenarios have been modelled:

Model 2 Impact of £5.00 increase (2.41%) in Council tax in 2025/26 (followed by increases of £5.00 p.a.)

Year:	2025/26	2026/27	2027/28	2028/29	2029/30
Forecast:	£'000	£'000	£'000	£'000	£'000
Surplus (-)/Deficit	3,354	6,024	6,087	6,136	6,309
Balances Remaining (-) / Overdrawn	(5,467)	558	6,645	12,781	19,090
£ Increase	5.00	5.00	5.00	5.00	5.00
% Increase	0.02	0.02	0.02	0.02	0.02
Note: Resulting Band D Council Tax	207.70	212.70	217.70	222.70	227.70

*The figures above **include** the proposed Policy Changes for 2025/26 onwards

Indicating a shortfall in General Fund balances of approx. £7.1m over 3 years (with a shortfall of £13.2m over 4 years and £19.6m over the 5 year period) - including the minimum approved level of £0.5m.

Model 3 Impact of 2.99% increase (£6.06) in Council tax in 2025/26 (followed by increases of 2.99% p.a.)

Year:	2025/26	2026/27	2027/28	2028/29	2029/30
Forecast:	£'000	£'000	£'000	£'000	£'000
Surplus (-)/Deficit	3,328	5,969	5,997	6,006	6,134
Balances Remaining (-) / Overdrawn	(5,492)	478	6,475	12,481	18,615
£ Increase	6.06	6.24	6.43	6.62	6.82
% Increase	0.03	0.03	0.03	0.03	0.03
Note: Resulting Band D Council Tax	208.76	215.00	221.43	228.05	234.87

*The figures above **include** the proposed Policy Changes for 2025/26 onwards

Indicating a potential shortfall in General Fund balances of approx. £6.9m over 3 years (with a shortfall of £12.9m over 4 years and £19.1m over the 5 year period) - including the minimum approved level of £0.5m.

Members may wish to consider an increase of 2.99% in Council tax for 2025/26 onwards in order to maximise funding from council tax.

Model 4 Impact of 0% increase in Council tax in 2025/26 (followed by increases of 0% p.a.)

Year:	2025/26	2026/27	2027/28	2028/29	2029/30
Forecast:	£'000	£'000	£'000	£'000	£'000
Surplus (-)/Deficit	3,472	6,263	6,448	6,622	6,921
Balances Remaining (-) / Overdrawn	(5,348)	915	7,363	13,985	20,906
£ Increase	-	-	-	-	-
% Increase	-	-	-	-	-
Note: Resulting Band D Council Tax	202.70	202.70	202.70	202.70	202.70

*The figures above **include** the proposed Policy Changes for 2025/26 onwards

Indicating balances of £7.8m over 3 years (with a shortfall of £14.4m over 4 years and £21.4m over the 5 year period) - including the minimum approved level of £0.5m.

2) *Potential Savings / additional costs*

Potential revenue policy changes are highlighted below:

Item No	Proposal/(Existing Budget)	Implications	Budget Change	Budget Change	Budget Change	Budget Change	Budget Change
			25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000
OR 1	New Policy & Performance team including permanent AD post and two temporary officer posts, including homeworking allowance, car user allowance and net of £100k reserve and salaries budget savings from vacant Performance and Insight Officer hours		60.17	1.45	4.25	5.18	-
PE 1	Annual Azure hosting	The Azure hosting costs are an ongoing commitment. This will facilitate moving the majority of our server estate to Microsoft's Cloud services. The current server and storage infrastructure is reaching capacity and either requires replacing or in line with the ICT Strategy, migrating to Cloud services	80.00	-	-	-	-
PE 2	Staff Conference	Increased costs	5.00	-	-	-	-
PE 3	Corporate Training Budgets	Increased costs and training requirements – reduced to £20k and limited to statutory posts/requirements	20.00	-	-	-	-

Item No	Proposal/(Existing Budget)	Implications	Budget Change	Budget Change	Budget Change	Budget Change	Budget Change
			25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000
PE 4	Review of Elections budgets from a zero-base, factoring in the anticipated schedule of elections and ability to run joint elections/claim a share of costs from SCC/Gov't/OPCC where appropriate, the following budget adjustments are requested.	Increase budget for automated HEF Fees utilisation increased	3.50	-	-	-	-
		Rents	(14.60)	15.43	-	(7.72)	(7.72)
		Printing & Stationery	(15.82)	18.05	0.76	(12.58)	(6.23)
		Postage	(11.18)	21.60	1.18	(11.16)	(11.62)
		Election Staff	(70.63)	110.56	-	(50.28)	(60.28)
		Canvasser	(5.00)	-	-	-	-
		Modern Democracy / Express	8.19	-	-	(6.00)	-
OPS 1	Waste Management Contract / Recycling Credit (Policy Change)	Recycling credits budget disparity to be included	243.00	(3.00)	(3.00)	(24.00)	-
OPS 2	Assembly Rooms Policy Change for Income and Performer Costs / Spektrix		TBC	-	-	-	-
OPS 3	Health & Safety - Increase in revenue budget for 12 months to support	Reduce backlog in employee workplace stress risk assessments	13.00	(13.00)	-	-	-
PAR 1	To reduce income budget on car park enforcement to £57,000	The use of car parks dropped during the pandemic lockdown and beyond, thereby reducing car park enforcement and income from penalty charge notices. Current income budget of £121,350 is not achievable (for 2025/26 £124,380)	67.38	-	-	-	-

Item No	Proposal/(Existing Budget)	Implications	Budget Change	Budget Change	Budget Change	Budget Change	Budget Change
			25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000
AST 1	Reverse savings relating to Marmion House per BWP 048 2023/24 Marmion House R&R Deferral. Usage of Marmion House is expected to increase starting with the re-opening of the reception area in January 2025. Council meetings currently taking place at the Town Hall are also due to move to back to being held at Marmion House	Following a change of political control in May 2024 face to face customer services are being brought back. Savings previously identified for Marmion House in 2026/27 budget to be reversed as usage of the building will increase resulting in a loss of predicted savings	-	242.41	-	-	-
AST 2	Shortall in Commercial Lease Income – net of contingency funding £460k		243.00	-	-	-	-
G&R 1	Re-evaluation of estimated Car Parking Income		207.00	(50.00)	-	-	-
G&R 2	Economic Development and Regeneration	Outside car parks/season tickets	(90.00)	-	-	-	-
G&R 3	To make the Climate Officer post, which is currently a fixed term 3 year post, permanent		-	-	58.48	-	-
G&R 4	Temp Staff in Planning Policy Team till end of June 2026 (part funded till Dec 2026) and Grant savings from Proposed from Conservation Grant (GS0404 30404 £14K)		TBC	TBC	TBC	-	-
G&R 5	Building Control Partnership		60.00	-	(60.00)	-	-
Total New Items/Amendments			803.01	343.50	1.67	(106.56)	(85.85)

As part of the planned review & scrutiny process leading up to formal presentation of the budget, Executive Management Team will consider feedback received from the Budget Consultation process, the Joint Scrutiny Budget workshop and the Joint Budget Scrutiny Committee (planned for 28th January 2025) to inform the next stages of the budget process:

- a review of the proposals including:
 - Reference to the Council's corporate priorities together with the feedback and issues raised by the budget consultation exercise, and
 - Consideration of how the limited resources can be 'rationed' (and whether service improvements in a priority area should be met from service reductions elsewhere).
- Inclusion of any further potential savings to mitigate the forecast budget shortfall. This process is ongoing and will be reported as policy changes in the next phase of the budget process to formulate a balanced medium term financial strategy for approval by Cabinet and Council in February 2025.

Housing Revenue Account – Technical Adjustments Summary

Technical Adjustments	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000	£'000	£'000	£'000	£'000
Base Budget B/Fwd	(1,054)	(966)	(1,320)	(1,612)	(1,902)
Committee Decisions	(221)	119	67	2	-
Inflation	201	207	238	245	253
Other	(259)	(666)	(697)	(633)	(653)
Pay Adjustments	367	(14)	100	96	94
Revised charges for non-general fund activities	-	-	-	-	-
Virements	-	-	-	-	-
Total / Revised Base Budget	(966)	(1,320)	(1,612)	(1,902)	(2,208)

*The figures above **exclude** the proposed Policy Changes for 2025/26 onwards

The details of the technical adjustments are shown in Appendix C with a more detailed summary of the HRA Technical Adjustments at Appendix E. Assuming increases in Rent in line with the maximum allowed by the Government's Rent Standard (CPI plus 1% p.a.) in order to support investment in the housing stock, the five year base budget forecast is as follows:

Summary	2025/26	2026/27	2027/28	2028/29	2029/30
	£'000	£'000	£'000	£'000	£'000
Estimated Net (Surplus) / Deficit	(966)	(1,320)	(1,612)	(1,902)	(2,208)
Proposed Policy Changes / Additional Costs Identified (Detailed at Appendix B)	1,394	1,355	1,355	1,355	1,355
Surplus (-) / Deficit	428	35	(257)	(547)	(853)
Balances Remaining (-) / Overdrawn	(2,398)	(2,363)	(2,620)	(3,167)	(4,020)

*The figures above **include** the proposed Policy Changes for 2025/26 onwards

As a result of the updated base budget, the projections now identify HRA balances of £2.4m by 2025/26 (compared to £4.7m as part of the approved MTFS forecast in February 2024), £2.6m by 2027/28 (compared to £7.7m), with balances of £4.0m by 2029/30.

This includes the additional cost pressures of £6.8m p.a over 5 years identified to date in the proposed HRA policy changes but it does not include the anticipated cost pressures for the HRA capital programme arising from the ongoing work in updating the 30 year HRA business plan).

A summary of the HRA over the 5 year period is shown at **Appendix H**.
Potential HRA revenue policy changes are highlighted below:

Item No	Proposal/(Existing Budget)	Implications	Budget Change	Budget Change	Budget Change	Budget Change	Budget Change
			25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000
HRA 1	Revenue Impact of Capital programme	Increased Item 8 DR recharge to HRA	TBC	-	-	-	-
HRA 2	Increase in Contribution to GF for Corporate Training as PE 5		10.00	-	-	-	-
HASS 1	Service transformation and resourcing of the assets team delivering housing repairs, improvements and compliance works.	Service Transformation £35,000 (one off) Disrepairs Technical Officer £49,000 (per annum) Disrepairs Administrative Officer £32,000 (per annum) Head of Compliance £56,000 (per annum) Repairs Administrative Officer £32,000 (per annum) Compliance Administrative Officer £32,000 (per annum)	311.76	(46.24)	-	-	-
HASS 2	Increase in budgets for housing repairs and voids to reflect changes in the contractual arrangements.	Day to Day Repairs and Voids	988.00	-	-	-	-
HNEI 1	Regulator of Social Housing's annual fees	The Regulator of Social Housing regulates registered providers of social housing in England to ensure the deliver good quality housing services to tenants.	28.50	-	-	-	-

Item No	Proposal/(Existing Budget)	Implications	Budget Change	Budget Change	Budget Change	Budget Change	Budget Change
			25/26 £'000	26/27 £'000	27/28 £'000	28/29 £'000	29/30 £'000
HNEI 2	Subscription Management	Additional budget needed to cover the increasing annual subscription costs including Housing Ombudsman, Housemark, Northern Housing Consortium, Housing quality network (HQN), Resolve ASB	25.00	-	-	-	-
HNEI 3	Budget Provision for the temporary post of "Housing Solutions Advisor" that has been in place since 2023, to be a permanent post from June 2025 (Grade D)	This additional role has added capacity to an ever-increasing busy team. The continuation of the role is required in order to allow the team to continue to deal with consistently increasing service demands	31.15	6.94	-	-	-
Total New Items/Amendments			1,394.41	(39.30)	-	-	-

Rent Setting Policy

The policy provides a framework within which Tamworth Borough Council will set rents and service charges and draws on the Department for Communities and Local Government Guidance on Rent Setting for Social Housing.

The MTFs included a forecast increase of 3% p.a. based on the formula allowed under the Rent Setting Guidance of CPI plus 1%. Given the current level of CPI of 1.7% (September 2024), the budgeted increase for 2025/26 will be 2.7% in line with the maximum allowed by the Government's Rent Standard (that social housing rents can increase to include 'up to' a factor of the consumer price index (CPI) measure of inflation (for September of the preceding year) plus 1%. This has been the case since 2020, and we have assumed that this will continue for 2025/26. Each 1% increase would equate to additional income of c.£226k p.a. (£1.13m over 5 years).

The following options have been modelled:

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	£	£	£	£	£	£
Option 1: CPI + 1%						
Rent (52 Weeks)	99.38	102.06	105.12	108.27	111.52	114.87
Rent (48 Weeks)	107.66	110.57	113.89	117.31	120.83	124.45
% Increase	7.70%	2.70%	3.00%	3.00%	3.00%	3.00%
		5 year impact				0
Option 2: CPI						
Rent (52 Weeks)	99.38	101.07	103.6	106.5	109.48	112.55
Rent (48 Weeks)	107.66	109.49	112.23	115.37	118.6	121.92
% Increase		1.70%	2.50%	2.80%	2.80%	2.80%
Reduced Rent compared to Option 1		226,470	347,410	403,720	462,710	524,490
		5 year impact				1,964,800
Option 3: No increase						
Rent (52 Weeks)	99.38	99.38	99.38	99.38	99.38	99.38
Rent (48 Weeks)	107.66	107.66	107.66	107.66	107.66	107.66
% Increase		0.00%	0.00%	0.00%	0.00%	0.00%
Reduced Rent compared to Option 1		611,470	1,305,400	2,016,040	2,743,820	3,489,220
		5 year impact				10,165,950

*The figures above **exclude** the proposed Policy Changes for 2025/26 onwards

As part of the October 2024 Budget the Government announced it is consulting on a five-year social housing rent settlement of CPI + 1%; changes in the Right to Buy scheme and that councils will be able to keep 100% of receipts.

Corporate Capital Strategy

The Council has an ongoing capital programme of over £43m for 2024/25 and an asset base valued at £279m (as at 31st March 2024).

The strategy sets out the Council's approach to capital investment and the approach that will be followed in making decisions in respect of the Council's Capital assets.

Capital investment is an important ingredient in ensuring the Council's vision is achieved and given that capital resources are limited it is critical that the Council makes best use of these resources.

This Strategy sets the policy framework for the development, management and monitoring of this investment and forms a key component of the Council's planning alongside the Medium Term Financial Strategy.

The Capital Strategy will:

- Reflect Members' priorities as set out in the Corporate Plan;
- Balance the need to maintain the Council's existing asset base against its future ambition and associated long term asset needs and consolidate assets where appropriate;
- Recognise that growth is the strategic driver for financial self-sufficiency;
- Be affordable in the context of the Council's MTFS;
- Seek to ensure value for money through achieving a return on investment or by supporting service efficiency and effectiveness;
- Be flexible to respond to evolving service delivery needs;
- Seek to maximise investment levels through the leveraging of external investment;
- Recognise the value of assets for delivering long-term growth as opposed to being sold to finance capital expenditure;
- Recognise the financial benefits and risks from growth generated through investment to support investment decisions; and
- Reflect the service delivery costs associated with growth when assessing the level of resources available for prudential borrowing.

The capital strategy feeds into the annual revenue budget and MTFS by informing the revenue implications of capital funding decisions. The implications for the MTFS are fully considered before any capital funding decisions are confirmed.

Equally, the availability of prudential borrowing means that capital and revenue solutions to service delivery can be considered, and ranked, alongside each other as part of an integrated revenue and capital financial strategy.

The Capital Strategy further sets out the Council's approach to the allocation of its capital resources and how this links to its priorities at a corporate and service level. It describes how the Council has responded to the opportunities provided by prudential borrowing and other new sources of finance.

All proposed schemes requiring capital investment should have as a minimum the following information:

- A description of the scheme;
- The estimated financial implications, both capital and revenue;
- The expected outputs, outcomes and contribution to corporate objectives;
- The nature and outcome of consultation with stakeholders and customers (as applicable);
- Any impacts on efficiency and value for money;
- Risk assessment implications and potential mitigations; and
- Any urgency considerations (e.g. statutory requirements or health and safety issues).

All capital bids should be prepared in light of the following list of criteria, and the proposed investment should address and be assessed with regard to:

- **the contribution its delivery makes towards the achievement of the Council's Corporate Priorities;**
- **the achievement of Government priorities and grant or other funding availability;**
- the benefits in terms of the contribution to the Council's Corporate Objectives and compliance with the Corporate Capital Strategy requirements of:
 1. Invest to save
 2. Maintenance of services and assets
 3. Protection of income streams
 4. Avoidance of cost.

The current de-minimis for capital expenditure is £10k per capital scheme.

It is important that capital investment decisions are not made in isolation and instead are considered in the round through the annual budget setting process.

Corporate Management Team and Service Managers identify the potential need for capital investment. This will take account of issues including the condition of council owned assets (including reference to the Council's Asset Management Strategy and Plans), health and safety requirements, statutory obligations of the Council, operational considerations and emerging opportunities for investment including possible sources of external financing.

Corporate Management Team (CMT) review capital bids prior to consideration by Members. Once capital bids have been prioritised, Executive Management Team will review the outcome of the deliberations of CMT and will make recommendations to Cabinet through an updated Medium Term Financial Strategy (MTFS) report on a proposed budget package which will include capital budget proposals.

The MTFS report (including capital budget proposals) will ultimately be considered by Budget Setting Council each year.

Following a review of the Capital Programme approved by Council on 27th February 2024, a revised programme has been formulated including additional schemes which have been put forward for inclusion.

A schedule of the capital scheme appraisals for the General Fund (GF) & Housing Revenue Account (HRA) received for consideration is attached at **Appendix I – General Fund Services (GF) and Appendix J – Housing (HRA)**, together with the likely available sources of funding (capital receipts / grants / supported borrowing etc).

A significant number of new or amended schemes have been proposed and the forecast highlights that insufficient resources are available to finance all of the schemes submitted.

The forecast highlights that insufficient resources are available to finance all of the GF schemes submitted. The minimum approved level of GF capital balances is £0.5million and, should the programme progress without amendment, this would mean a £4.0m shortfall over the next 5 years (£3.1m over 3 years) which would have to be funded from revenue and makes the revenue shortfall worse. **Consideration should be given to areas where spend can be reduced.**

There has been an increase of £4.5m over 5 years since the provisional programme was approved (including new year 5 costs of £1.2m). The current GF Capital Financing Requirement (CFR) stands at £7.029m with planned borrowing in 2024/25 of £3m.

There are some significant changes in the Housing capital programme from that provisionally approved with additional funding required for a number of schemes and new year 5 costs for 2029/30.

Work is progressing on the updated forecast resources but given the significant changes in spend over the 5 years of £19.7m (£9.7m in year 5) then there will be a significant funding gap for the HRA capital programme. **Consideration should be given to areas where spend can be reduced.**

It should be noted that there are no debt repayment costs for the HRA and the Government has now lifted the previous debt cap (of £79.407m). The current HRA Capital Financing Requirement (CFR) stands at £72.16m with planned borrowing in 2024/25 of £1.7m. However it should be noted that the additional borrowing associated with unsupported costs will mean higher debt interest costs for the HRA.

With regard to the contingency schemes/allocation **£2.4m** remains in current year contingency funds (£2.3m GF/ £0.1m HRA - which will be re-profiled into 2025/26 to provide General Contingency funding) rising to £4.1m over the five years.

To inform discussions, the proposals have been reviewed by the Corporate Management Team with initial comments & suggestions for each of the schemes outlined below.

General Fund

1) Food Waste Caddies and Vehicles

Project score 0

Description of project

National requirement to introduce weekly food waste services to households. New Burdens funding has been provided for the procurement of food waste caddies and vehicles associated with this. Further Phase 2 and 3 new burdens funds is anticipated but timescale and value of this is yet to be confirmed by the government.

2) Tamworth Castle Structural Repairs (Contingency)

Project Score: 32

In December 2023 Tamworth Castle was placed on the Heritage at Risk Register. The project will tackle the highest priority structural repairs reflected in the updated condition report (Donald Insall 2024). The works consist of repairs to the internal and external masonry, timber structure, plaster work, leaded light windows, cast iron rainwater goods, lead gutters and roofs. There are also below ground drainage works proposed and some accessibility improvements to meet legal requirements.

Project forms part of match funding for proposed grant application. Grant funding has been applied for and the capital bid is therefore contingency should this be unsuccessful. A further £190K in matchfunding is already ringfenced via a previous capital bid. Total value of the project £1,906,933. Capital bid request is £1,716,238

3) Capital works required to General Fund Assets

Project Score: 36

Delivery of planned investment works in line with updated HRA Business plan. To deliver a planned program of improvements to the Housing Property portfolio ensuring that properties meet the Decent Homes Standard and remain fit for occupation. There is a need for the authority to remain compliant and therefore the compliance works are mandatory.

£96.8k Refurbishment of Walkways at Caledonian and
£73.9k Refurbishment Walkways at Ellerbeck

4) Energy efficiency works to Commercial and Industrial units

Project Score: 4

Energy efficiency improvement works to commercial and industrial property to ensure that properties meet the required energy performance standards for relet. This is a budget that is spend on an ad-hoc basis as and when units that fail to meet the required standards become void.

5) Disabled Facilities Grants (DFG)

Project Score: 24

£800k pa increasing by inflation each year

The provisional program included £650k p.a. part funded by redistributed Better Care Fund (BCF) grant of £547k.

The provisional capital program has been reviewed – updated appraisal forms are still awaited for the following schemes:

6) Technology Improvement/Replacement (Replacement PCs, Servers & Printers)

Project Score: 12 (2024/25)

The provisional program included £60k p.a. years 1-4

Revised Appraisal received after ASSG increase to £100k in 2025/26 and to £60k thereafter

7) Endpoint Protection and Web-Email Filter

Project Score: 60 (2024/25)

The provisional program included £40k year 1 only

8) AI and Automation

Project Score: 48

Revised Appraisal received after ASSG to introduce new project £20k in 2025/26 only

9) Street Lighting

The provisional program included £50,960 in 2025/26

No further requirements for 2026/27 through to 2029/30 as per rolling program

10) Play Area Refurbishment

Project Score: 12 (2024/25)

The provisional program included £50k p.a. years 1-3

Looking for an increased budget to £75k across all five years

11) Balancing ponds and sustainable drainage systems

Project Score: 63 (2024/25)

The provisional program included £300k 2025/26, £220k 2026/27 and £80k in 2028/29

Propose a further £100k 2029/30 in line with current lifetime program

A 30 year rolling program of works was approved for inclusion in the capital program, for the 8 ponds at Stonydelph, Belgrave, Lakeside, Peelers Way.

Part funded by existing reserves of £604k, and capital receipts of £328k

12) CCTV Upgrades

The provisional program included £45.71k p.a. years 1 & 2

13) General Fund Capital Contingency Budget

The remaining 2024/25 contingency budget totaling £2.250m will be rolled forward to 2025/26.

14) Anker Valley Changing Rooms (Contingency)

Project Score:

Contingency budget as may be an opportunity to attract match funding at short notice.

Housing Revenue Account

1) Council House Adaptations

Project Score 36

Delivery of planned investment works in line with updated HRA Business plan. To deliver a planned program of improvements to the Housing Property portfolio ensuring that properties meet the Decent Homes Standard and remain fit for occupation. There is a need for the authority to remain compliant and therefore the compliance works are mandatory.

Structural Works (ad-hoc)

Bathroom Renewals

Heating Upgrades

Kitchen Renewals

Major Roofing Work

Windows & Doors

Neighbourhood Regeneration Works

Disabled Adaptations

Lift Renewals

Electrical upgrade works include CO and Smoke Detector renewals

Works to sheltered schemes

Damp and Mould related works

Lift Renewals

Regeneration and Affordable Housing Growth

Insulation and Net Zero related works

Fire risk mitigation works for work arising from FRA

Improvements to communal areas of blocks

High-Rise Parapet, structural, roofing and ventilation works

Works to Eringden Block

Walkways at Caledonian

Walkways at Ellerbeck

Walkways at Magnolia

2) Install Fire Doors High Rise

The provisional program included £404,800 in years 1- 3

3) Capital Salaries

The provisional program included £200k p.a but will need to be revisited

Increased to £400k to cover increased recharges

4) Street Lighting

The provisional program included £76,440 in 2025/26

No further requirements for 2026/27 through to 2029/30 as per rolling program

Main Assumptions

Inflationary Factors	2025/26	2026/27	2027/28	2028/29	2029/30
Inflation Rate – Pay Awards	2.50%	2.50%	2.50%	2.50%	2.50%
National Insurance	10.00%	10.00%	10.00%	10.00%	10.00%
Superannuation	22.10%	22.10%	22.10%	22.10%	22.10%
Inflation Rate (RPI)	2.50%	2.50%	2.80%	2.80%	2.80%
Inflation Rate (CPI)	2.50%	2.50%	2.80%	2.80%	2.80%
Investment income rate	4.00%	3.00%	2.50%	2.50%	2.50%
Base Interest Rates	4.50%	3.50%	3.00%	3.00%	3.00%
NNDR increase	2.00%	2.00%	2.00%	2.00%	2.00%
Assumed Council Tax Increase %	2.95%	2.95%	2.95%	2.95%	2.95%

1. Local Government pay for 2024/25 was agreed in October 2024 which saw an increase of £1,290 on all pay points up to and including SCP43, with a 2.5% increase for all pay above this point. Future years remain uncertain, but a 2.5% p.a. increase has been assumed for 2025/26 and future years.
2. Overall, Fees and Charges will rise generally by 2.5% in 2025/26 (2.5% p.a. thereafter) except where a proposal has otherwise been made (car parking charges, corporate & industrial property rental income, statutory set planning fees, leisure fees);
3. Revised estimates for rent allowance / rent rebate subsidy levels have been included;
4. At this stage no changes to the level of recharges between funds has been included;
5. Revenue Support Grant of £322,012 will increase annually by inflation from 2024/25, following the deferral of the funding reforms. The impact for the Council will be confirmed by MHCLG as part of the *Local Government Finance Settlement* with a provisional announcement in December 2024;
6. The New Homes Bonus scheme ends pending consultation on the future of the scheme;
7. An increase of 2.95% p.a. in Council Tax - current indications are that increases of 3% or £5 and above risk 'capping' (£5 for District Councils for 2023/24 was confirmed);
8. The major changes to the previously approved policy changes are included within this forecast – Assistant Directors were issued with the provisional information in August to review, confirm & resubmit by the end of September;
9. Future Pension contribution levels – following an option to 'freeze' the 'lump sum' element for the 3 years from 2023/24 (after the triennial review during 2022), with a further freeze to 2025/26 followed by 1% p.a. year on year increases included from 2026/27;
10. Given the current level of CPI of 1.7% (September 2024), the budgeted rent increase for 2025/26 will be 2.7% in line with the maximum allowed by the Government's Rent Standard (that social housing rents can increase to include 'up to' a factor of the consumer price index (CPI) measure of inflation (for

September of the preceding year) plus 1%. This has been the case since 2020, and we have assumed that this will continue for 2025/26;

11. Forecasts have been informed by the Bank of England Inflation report (August 2024), HM Treasury – Forecasts for the UK Economy (August 2024)). Any significant variances will be considered later in the budget setting process.

Technical Adjustments Analysis – General Fund 2025/26

() denotes saving

<u>Director</u>	<u>Data Type</u>	<u>Narative</u>	£	£	£
Chief Executive					
	Virements			-	
	Committee Decisions				
		2024/25 Policy Change CE 1 Realignment of Salaries Budgets following latest Pay Award	(6,490)	(6,490)	
	Inflation			(530)	
	Other				
		2025/26 BWP 002 Salaries	(1,020)		
		2025/26 BWP 033 Car Allowance	40		
		2025/26 BWP 038 Insurance Budgets	150		
		2025/26 BWP 040 Home Working Allowances on General Fund	1,710	880	
	Pay Adjustments			9,070	
	Changes in Recharges			-	
					2,930
Assistant Director Growth and Regeneration					
	Virements			-	
	Committee Decisions				
		2023/24 Policy Change G&R 1 Senior Licensing Officer Post made Permanent	3,000		
		2023/24 Policy Change G&R 1 Additional funding from Community Safety Grant and additional income	(3,000)		
		2023/24 Policy Change G&R 2 Additional post for Net Zero Work Stream	5,900		
		2024/25 Policy Change G&R 3 Operational Budgets for the Flex Building	(11,930)		
		2024/25 Policy Change G&R 5 Realignment of Salaries Budgets following latest Pay Award	(33,010)	(39,040)	
	Inflation			(3,680)	
	Other				
		2025/26 BWP 002 Salaries	(5,210)		
		2025/26 BWP 003 Depreciation	2,980		
		2025/26 BWP 009 Bank Charges and Cash Security	(4,220)		
		2025/26 BWP 019 TBC NNDR Properties	(70,460)		
		2025/26 BWP 021 Gas and Electricity Charges	(9,020)		
		2025/26 BWP 029 Income Budget	25,000		
		2025/26 BWP 033 Car Allowance	(5,750)		
		2025/26 BWP 038 Insurance Budgets	7,740		
		2025/26 BWP 040 Home Working Allowances on General Fund	8,040		
		2025/26 BWP 042 Water Charges	(3,480)	(54,380)	
	Pay Adjustments			71,490	
	Changes in Recharges			-	

(25,610)

Executive Director Organisation

Virements		-
Committee Decisions		
2024/25 Policy Change OR 1 Realignment of Salaries Budgets following latest Pay Award	(5,880)	(5,880)
Inflation		15,180
Other		
2025/26 BWP 002 Salaries	(920)	
2025/26 BWP 004 Members Allowances	(10,260)	
2025/26 BWP 024 Mayoral Allowances	(410)	
2025/26 BWP 025 Land Charges	(40,700)	
2025/26 BWP 026 Conveyancing and Right To Buy	8,500	
2025/26 BWP 033 Car Allowance	(310)	
2025/26 BWP 038 Insurance Budgets	1,120	
2025/26 BWP 040 Home Working Allowances on General Fund	990	(41,990)
Pay Adjustments		14,370
Changes in Recharges		-
		<u>(18,320)</u>

Assistant Director People

Virements		-
Committee Decisions		
2021/22 Policy Change A&G 1 Elections	56,950	
2022/23 Policy Change PE 1 Increase in Long Service Awards Budgets	(3,840)	
2024/25 Policy Change PE 3 Additional Marketing Funds for Christmas and Aethelfest	(17,800)	
2024/25 Policy Change PE 11 Software Licence for Modern Democracy System	(7,700)	
2024/25 Policy Change PE 13 Realignment of Salaries Budgets following latest Pay Award	(38,610)	(11,000)
Inflation		23,520
Other		
2024/25 BWP 023 Healthshield Staff Health Insurance	430	
2025/26 BWP 002 Salaries	(17,400)	
2025/26 BWP 003 Depreciation	22,680	
2025/26 BWP 009 Bank Charges and Cash Security	160	
2025/26 BWP 019 TBC NNDR Properties	330	
2025/26 BWP 021 Gas and Electricity Charges	30	
2025/26 BWP 033 Car Allowance	(20)	
2025/26 BWP 035 Healthshield Staff Insurance		
2025/26 BWP 038 Insurance Budgets	1,130	
2025/26 BWP 040 Home Working Allowances on General Fund	10,660	18,000
Pay Adjustments		73,190
Changes in Recharges		-
		<u>103,710</u>

Assistant Director Environment, Culture and Wellbeing

Virements		-
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Committee Decisions		
Cabinet 09/09/21 Dry Recycling Update	2,000	
Cabinet 01/02/24 Review of Council Grants	(15,000)	
2024/25 Policy Change OP 1 Realignment of Salaries Budgets following latest Pay Award	<u>(52,660)</u>	(65,660)
Inflation		(10,930)
Other		
2024/25 BWP 040 Bad Debt Provision	51,400	
2025/26 BWP 002 Salaries	(32,260)	
2025/26 BWP 003 Depreciation	23,170	
2025/26 BWP 009 Bank Charges and Cash Security	5,050	
2025/26 BWP 019 TBC NNDR Properties	(2,260)	
2025/26 BWP 021 Gas and Electricity Charges	(1,130)	
2025/26 BWP 029 Income Budget	4,700	
2025/26 BWP 033 Car Allowance	(2,360)	
2025/26 BWP 038 Insurance Budgets	28,770	
2025/26 BWP 040 Home Working Allowances on General Fund	2,130	
2025/26 BWP 042 Water Charges	<u>4,860</u>	82,070
Pay Adjustments		249,400
Changes in Recharges		-
		<u><u>254,880</u></u>

Executive Director Finance

Virements		
		-
Committee Decisions		
2024/25 Policy Change ED1 Realignment of Salaries Budgets following latest Pay Award	<u>(2,440)</u>	(2,440)
Inflation		60
Other		
2025/26 BWP 002 Salaries	(380)	
2025/26 BWP 009 Bank Charges and Cash Security	(20)	
2025/26 BWP 033 Car Allowance	(450)	
2025/26 BWP 038 Insurance Budgets	(60)	
2025/26 BWP 040 Home Working Allowances on General Fund	<u>320</u>	(590)
Pay Adjustments		5,060
Changes in Recharges		-
		<u><u>2,090</u></u>

Assistant Director Finance

Virements		
		-
Committee Decisions		
2022/23 Policy Change FIN 6 Revenue Implications of Capital Programme	2,000	
2023/24 Policy Change FIN 10 Business Rates Relief Section 31 Grants Recalculation	2,535,590	
2023/24 Policy Change FIN 11 Local Government Service Grant	94,580	
2023/24 Policy Change FIN 12 Revenue Implications of Capital Programme	9,600	
2023/24 Policy Change FIN 8 Business Rates Levy Recalculation	(1,506,860)	
2023/24 Policy Change FIN 9 Lower Tier Grant Funding	636,380	

2023/24 Policy Change HRA 3 Item 8 Charge to HRA recalculated	34,170	
2024/25 Policy Change FIN 2 Local Government Service Grant	(79,580)	
2024/25 Policy Change FIN 3 New Homes Bonus Additional Year	503,000	
2024/25 Policy Change FIN 4 Realignment of Salaries Budgets following latest Pay Award	(33,890)	
2024/25 Policy Change FIN 5 Lower Tier Funding Guarantee Grant	(8,380)	
2024/25 Policy Change FIN 6 Business Rates Levy Recalculation	(125,000)	
2024/25 Policy Change FIN 7 Business Rates Relief Section 31 Grants Recalculation	181,410	
2024/25 Policy Change FIN 8 Deferred Reset Business Rates Levy Payment	1,631,860	
2024/25 Policy Change FIN 9 Deferred Reset Business Rates Relief S31 Grant	(2,717,000)	
2024/25 Policy Change FIN 10 Transfer from Business Rates Equalisation Reserve	500,000	
2024/25 Policy Change FIN 11 Revenue Impact of Capital Program Repayment of Debt	8,100	
2024/25 Policy Change FIN 12 Revenue Impact of Capital Program Increased Item 8 Recharge to HRA	<u>(19,900)</u>	1,646,080
Inflation		5,530
Other		
2024/25 BWP 031 Pensions Lump Sum Freeze for 3 years	13,780	
2025/26 BWP 002 Salaries	(7,850)	
2025/26 BWP 003 Depreciation	(32,150)	
2025/26 BWP 005 Audit Fee	(65,440)	
2025/26 BWP 006 Superannuation Allowances	3,110	
2025/26 BWP 009 Bank Charges and Cash Security	(750)	
2025/26 BWP 018 Cost of Collection	(4,780)	
2025/26 BWP 020 Revenue Court Costs Income	(5,000)	
2025/26 BWP 023 Benefits Estimates	(5,350)	
2025/26 BWP 029 Income Budget	(3,010)	
2025/26 BWP 033 Car Allowance	(2,490)	
2025/26 BWP 034 Treasury Management	535,870	
2025/26 BWP 038 Insurance Budgets	1,280	
2025/26 BWP 040 Home Working Allowances on General Fund	11,460	
2025/26 BWP 043 Apprenticeship Levy	<u>4,510</u>	443,190
Pay Adjustments		82,420
Changes in Recharges		-
		<u><u>2,177,220</u></u>
Executive Director Communities		
Virements		-
Committee Decisions		-
Inflation		-
Other		-
Pay Adjustments		-
Changes in Recharges		-
		<u><u>-</u></u>

Assistant Director Assets

Virements		-
Committee Decisions		
Appointment and Staffing 12/09/2024 Adaptations Restructure	23,580	
2024/25 Policy Change AST 3 Realignment of Salaries Budgets following latest Pay Award	<u>(9,240)</u>	14,340
Inflation		19,510
Other		
2025/26 BWP 002 Salaries	(4,200)	
2025/26 BWP 003 Depreciation	(17,460)	
2025/26 BWP 007 Community Centres Income	(1,080)	
2025/26 BWP 008 Commercial & Industrial Rents Income	(16,870)	
2025/26 BWP 019 TBC NNDR Properties	(23,650)	
2025/26 BWP 021 Gas and Electricity Charges	(19,290)	
2025/26 BWP 033 Car Allowance	1,980	
2025/26 BWP 038 Insurance Budgets	(3,380)	
2025/26 BWP 040 Home Working Allowances on General Fund	(66,910)	
2025/26 BWP 042 Water Charges	<u>3,910</u>	(146,950)
Pay Adjustments		67,870
Changes in Recharges		-
		<u><u>(45,230)</u></u>

Assistant Director Neighbourhoods

Virements		(1,740)
Committee Decisions		
2024/25 Policy Change NEI 1 Realignment of Salaries Budgets following latest Pay Award	<u>(9,150)</u>	(9,150)
Inflation		6,200
Other		
2025/26 BWP 002 Salaries	(1,450)	
2025/26 BWP 003 Depreciation	780	
2025/26 BWP 011 Alarm Call Contract	(10)	
2025/26 BWP 012 Housing Bad Debt Provisions	10,350	
2025/26 BWP 021 Gas and Electricity Charges	(180)	
2025/26 BWP 033 Car Allowance	(330)	
2025/26 BWP 038 Insurance Budgets	(990)	
2025/26 BWP 040 Home Working Allowances on General Fund	1,240	
2025/26 BWP 041 Bed and Breakfast Cost and Income	<u>184,390</u>	193,800
Pay Adjustments		18,890
Changes in Recharges		-
		<u><u>208,000</u></u>

Assistant Director Partnerships

Virements		1,740
Committee Decisions		
Cabinet 01/02/24 Review of Council Grants	15,000	
2024/25 Policy Change PAR 2 Realignment of Salaries Budgets following latest Pay Award	(17,160)	
2024/25 Policy Change PAR 3 Staffordshire 3 Memorial	<u>(10,000)</u>	(12,160)

Inflation		(3,360)
Other		
2025/26 BWP 002 Salaries	(2,720)	
2025/26 BWP 009 Bank Charges and Cash Security	(20)	
2025/26 BWP 011 Alarm Call Contract	100	
2025/26 BWP 033 Car Allowance	(2,380)	
2025/26 BWP 038 Insurance Budgets	(70)	
2025/26 BWP 040 Home Working Allowances on General Fund	<u>5,400</u>	310
Pay Adjustments		40,930
Changes in Recharges		-
		<hr/>
		<u>27,460</u>

Technical Adjustments Analysis – Housing Revenue Account 2025/26

() denotes saving

<u>Director</u>	<u>Data Type</u>	<u>Narrative</u>	£	£	£
Housing Revenue Account Summary					
	Virements			-	
	Committee Decisions				
		2023/24 Policy Change HRA 1 Rent Cap Recalculation	64,240		
		2023/24 Policy Change HRA 3 Item 8 Debit Recalculation	15,830		
		2024/25 Policy Change HRA 2 Revenue Impact of Capital Program Increased Item 8 Recharge	<u>19,900</u>	99,970	
	Inflation			156,440	
	Other				
		2024/25 BWP 031 Pensions Lump Sum Freeze for 3 years	4,220		
		2025/26 BWP 003 Depreciation	(22,030)		
		2025/26 BWP 010 Garage Rent	33,310		
		2025/26 BWP 012 Housing Bad Debt Provisions	(53,700)		
		2025/26 BWP 014 HRA Service Charges	10,420		
		2025/26 BWP 016 Housing Rent	(132,560)		
		2025/26 BWP 034 Treasury Management	(122,460)		
		2025/26 BWP 043 Apprenticeship Levy	<u>1,770</u>	(281,030)	
	Pay Adjustments			-	
	Changes in Recharges			-	
					<u><u>(24,620)</u></u>
Executive Director Communities					
	Virements			-	
	Committee Decisions				
		2024/25 Policy Change HENV 1 Realignment of Salaries Budgets following latest Pay Award	<u>(2,440)</u>	(2,440)	
	Inflation			60	
	Other				
		2025/26 BWP 002 Salaries	(380)		
		2025/26 BWP 033 Car Allowance	(70)		
		2025/26 BWP 038 Insurance Budgets	<u>(60)</u>	(510)	
	Pay Adjustments			10,090	
	Changes in Recharges			-	
					<u><u>7,200</u></u>
Assistant Director People					
	Virements			-	
	Committee Decisions				
		2024/25 Policy Change HPEO 1 Realignment of Salaries Budgets following latest Pay Award	<u>(2,720)</u>	(2,720)	
	Inflation			210	
	Other				

2025/26 BWP 002 Salaries	(3,150)	
2025/26 BWP 038 Insurance Budgets	30	(3,120)
Pay Adjustments		10,410
Changes in Recharges		-
		<u>4,780</u>

Assistant Director Environment, Culture & Wellbeing

Virements		-
Committee Decisions		
2024/25 Policy Change HOPS 1 Realignment of Salaries Budgets following latest Pay Award	(5,590)	(5,590)
Inflation		1,540
Other		
2025/26 BWP 002 Salaries	(890)	
2025/26 BWP 021 Gas and Electricity Charges	(1,140)	
2025/26 BWP 033 Car Allowance	470	
2025/26 BWP 038 Insurance Budgets	440	
2025/26 BWP 042 Water Charges	150	(970)
Pay Adjustments		22,750
Changes in Recharges		-
		<u>17,730</u>

AD Assets

Virements		-
Committee Decisions		
2024/25 Policy Change HASS1 Reduction in use of Temporary Cleaners	(40,000)	
2024/25 Policy Change HASS 6 Realignment of Salaries Budgets following latest Pay Award	(18,720)	(58,720)
Inflation		3,950
Other		
2025/26 BWP 002 Salaries	(8,300)	
2025/26 BWP 011 Alarm Call Contract	60	
2025/26 BWP 021 Gas and Electricity Charges	1,200	
2025/26 BWP 033 Car Allowance	(1,280)	
2025/26 BWP 038 Insurance Budgets	820	
2025/26 BWP 042 Water Charges	(720)	(8,220)
Pay Adjustments		43,270
Changes in Recharges		-
		<u>(19,720)</u>

Assistant Director Neighbourhoods

Virements		-
Committee Decisions		
2023/24 Policy Change HNEI 5 Remove additional funding for Self Assessment Programme	(100,000)	
2023/24 Policy Change HASS 1 Remove additional funding for Stock Condition Survey	(20,000)	
2023/24 Policy Change HNEI 4 Remove additional funding for Temp Housing Solutions Advisor post	(46,250)	
2024/25 Policy Change HNEI 1 Remove Extended Resident Support Worker Post	(41,430)	

	2024/25 Policy Change HNEI 2 Realignment of Salaries Budgets following latest Pay Award	<u>(44,120)</u>	(251,800)
Inflation			39,540
Other			
	2025/26 BWP 002 Salaries	(9,560)	
	2025/26 BWP 003 Depreciation	1,000	
	2025/26 BWP 005 Audit Fee	(10,940)	
	2025/26 BWP 006 Superannuation Allowances	170	
	2025/26 BWP 009 Bank Charges and Cash Security	720	
	2025/26 BWP 011 Alarm Call Contract	(4,890)	
	2025/26 BWP 013 HRA Sheltered Housing Heating Recharges	84,870	
	2025/26 BWP 014 HRA Service Charges	(9,480)	
	2025/26 BWP 015 Enhanced Housing Management Charges	(21,660)	
	2025/26 BWP 016 Housing Rent	(10,270)	
	2025/26 BWP 019 TBC NNDR Properties	350	
	2025/26 BWP 021 Gas and Electricity Charges	(43,240)	
	2025/26 BWP 033 Car Allowance	(110)	
	2025/26 BWP 035 Staff Health Insurance	(590)	
	2025/26 BWP 038 Insurance Budgets	46,060	
	2025/26 BWP 042 Water Charges	<u>12,390</u>	34,820
Pay Adjustments			280,340
Changes in Recharges			-
			<u><u>102,900</u></u>
Housing Repairs			
	Virements		-
	Committee Decisions	-	-
	Inflation		-
	Other	-	-
	Pay Adjustments		-
	Changes in Recharges		-
			<u><u>-</u></u>

General Fund – Technical Adjustments 2025/26

		Technical Adjustments								
		Budget 2024/25	Virements £	Committee Decisions £	Inflation £	Other £	Pay Adjustments £	Changes in Recharges £	Total Adjustments £	Total Adjusted Base 2025/26
Chief Executive	GCEXE	270,450	-	(6,490)	(530)	880	9,070	-	2,930	273,380
AD Growth & Regeneration	GGROW	662,250	-	(39,040)	(3,680)	(54,380)	71,490	-	(25,610)	636,640
ED Organisation	GACE	688,890	-	(5,880)	15,180	(41,990)	14,370	-	(18,320)	670,570
AD People	GPEO	2,782,780	-	(11,000)	23,520	18,000	73,190	-	103,710	2,886,490
AD Env, Cult & Wellbeing	GOPSL	5,758,020	-	(65,660)	(10,930)	82,070	249,400	-	254,880	6,012,900
ED Finance	GDIRF	93,320	-	(2,440)	60	(590)	5,060	-	2,090	95,410
AD Finance	GFIN	(3,983,880)	-	1,646,080	5,530	443,190	82,420	-	2,177,220	(1,806,660)
ED Communities	GCENV	-	-	-	-	-	-	-	-	-
AD Assets	GASS	46,950	-	14,340	19,510	(146,950)	67,870	-	(45,230)	1,720
AD Neighbourhoods	GNEI	813,030	(1,740)	(9,150)	6,200	193,800	18,890	-	208,000	1,021,030
AD Partnerships	GPAR	1,051,280	1,740	(12,160)	(3,360)	310	40,930	-	27,460	1,078,740
Grand Total		8,183,090	-	1,508,600	51,500	494,340	632,690	-	2,687,130	10,870,220

*The figures above **exclude** the proposed Policy Changes for 2025/26 onwards

Housing Revenue Account – Technical Adjustments 2025/26

		Technical Adjustments								
		Budget 2024/25	Virements £	Committee Decisions £	Inflation £	Other £	Pay Adjustments £	Changes in Recharges £	Total Adjustments £	Total Adjusted Base 2025/26
HRA Summary	HR5001	(6,218,000)	-	99,970	156,440	(281,030)	-	-	(24,620)	(6,242,620)
ED Communities	HR1100	28,960	-	(2,440)	60	(510)	10,090	-	7,200	36,160
AD People	HPEO	297,270	-	(2,720)	210	(3,120)	10,410	-	4,780	302,050
AD Env, Cult & Wellbeing	HOPSL	419,370	-	(5,590)	1,540	(970)	22,750	-	17,730	437,100
AD Assets	HASS	223,510	-	(58,720)	3,950	(8,220)	43,270	-	(19,720)	203,790
AD Neighbourhoods	HNEI	4,195,090	-	(251,800)	39,540	34,820	280,340	-	102,900	4,297,990
Housing Repairs	HS	-	-	-	-	-	-	-	-	-
Grand Total		(1,053,800)	-	(221,300)	201,740	(259,030)	366,860	-	88,270	(965,530)

*The figures above **exclude** the proposed Policy Changes for 2025/26 onwards

General Fund Summary Budgets – 2025/26

<i>Figures exclude internal recharges which have no bottom line impact.</i>	Base Budget 2024/25 £	Technical Adjustments £	Policy Changes £	Budget 2025/26 £
Chief Executive	270,450	2,930	-	273,380
AD Growth & Regeneration	662,250	(25,610)	177,000	813,640
ED Organisation	688,890	(18,320)	60,170	730,740
AD People	2,782,780	103,710	(540)	2,885,950
AD Env, Culture & Wellbeing	5,758,020	254,880	256,000	6,268,900
ED Finance	93,320	2,090	-	95,410
AD Finance	(3,983,880)	2,177,220	-	(1,806,660)
ED Communities	-	-	-	-
AD Assets	46,950	(45,230)	243,000	244,720
AD Neighbourhoods	813,030	208,000	-	1,021,030
AD Partnerships	1,051,280	27,460	67,380	1,146,120
Total Cost of Services	8,183,090	2,687,130	803,010	11,673,230
Transfer from Business Rates Reserve	-	-	-	-
Net Cost	8,183,090	2,687,130	803,010	11,673,230
Transfer to / (from) Balances	(1,134,859)	(2,195,506)		(3,330,365)
Collection Fund Surplus (Council Tax)	(27,070)	-		(27,070)
Collection Fund Surplus (Business Rates)	1,151,630	(1,151,630)		-
Revenue Support Grant	(322,012)	(6,440)	-	(328,452)
Business Rates S.31 Grants	-	-	-	-
Business Rates Levy	-	-	-	-
Retained Business Rates	(14,264,548)	(1,142,534)	-	(15,407,082)
Tariff Payable	11,172,962	1,188,111	-	12,361,073
Council Tax Requirement	(4,759,193)	620,869	(803,010)	(4,941,334)

*The figures above **include** the proposed Policy Changes for 2025/26 onwards.

General Fund Summary Budgets – 2024/25 to 2029/30

<i>Figures exclude internal recharges which have no bottom line impact.</i>	Base Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
	£	£	£	£	£	£
Chief Executive	270,450	273,380	281,510	289,360	297,390	305,290
AD Growth & Regeneration	662,250	813,640	827,900	789,090	827,370	862,720
ED Organisation	688,890	730,740	755,500	784,390	814,850	838,720
AD People	2,782,780	2,885,950	3,130,670	3,189,040	3,179,170	3,170,700
AD Env, Culture & Wellbeing	5,758,020	6,268,900	6,270,680	6,137,030	6,184,820	6,244,730
ED Finance	93,320	95,410	97,970	100,590	103,260	105,990
AD Finance	(3,983,880)	(1,806,660)	299,400	579,960	656,170	855,660
ED Communities	-	-	-	-	-	-
AD Assets	46,950	244,720	136,060	169,580	202,650	234,880
AD Neighbourhoods	813,030	1,021,030	1,046,600	1,073,320	1,101,350	1,129,980
AD Partnerships	1,051,280	1,146,120	1,195,810	1,213,680	1,232,250	1,251,450
Total Cost of Services	8,183,090	11,673,230	14,042,100	14,326,040	14,599,280	15,000,120
Transfer from Business Rates Reserve	-	-	-	-	-	-
Net Cost of Services	8,183,090	11,673,230	14,042,100	14,326,040	14,599,280	15,000,120
Transfer to / (from) Balances	(1,134,859)	(3,330,365)	(5,973,316)	(6,003,395)	(6,014,705)	(6,144,923)
Collection Fund Surplus (Council Tax)	(27,070)	(27,070)	(27,070)	(27,070)	(27,070)	(27,070)
Collection Fund Deficit (Business Rates)	1,151,630	-	-	-	-	-
Revenue Support Grant	(322,012)	(328,452)	(335,021)	(341,722)	(348,556)	(355,527)
Retained Business Rates	(14,264,548)	(15,407,082)	(15,715,224)	(16,029,528)	(16,350,119)	(16,677,121)
Tariff Payable	11,172,962	12,361,073	13,138,695	13,401,468	13,669,498	13,942,888
Council Tax Requirement	(4,759,193)	(4,941,334)	(5,130,164)	(5,325,793)	(5,528,328)	(5,738,367)

*The figures above include the proposed Policy Changes for 2025/26 onwards

Housing Revenue Account 2024/25 to 2029/30

<i>Figures exclude internal recharges which have no bottom line impact.</i>	Base Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
	£	£	£	£	£	£
HRA Summary	(6,218,000)	(6,232,620)	(6,603,420)	(7,038,840)	(7,460,670)	(7,898,550)
ED Communities	28,960	36,160	38,340	40,970	43,640	46,360
AD People	297,270	302,050	306,190	310,600	315,140	319,800
AD Env, Culture & Wellbeing	419,370	437,100	448,290	458,750	468,830	479,250
AD Assets	223,510	1,503,550	1,493,190	1,524,410	1,554,870	1,583,880
AD Neighbourhoods	4,195,090	4,382,640	4,352,290	4,447,210	4,531,790	4,615,980
Housing Repairs	-	-	-	-	-	-
Grand Total	(1,053,800)	428,880	34,880	(256,900)	(546,400)	(853,280)


*The figures above **include** the proposed Policy Changes for 2025/26 onwards.

Draft General Fund Capital Programme 2025/26 to 2029/30		2025/26	2026/27	2027/28	2028/29	2029/30	Total
		£	£	£	£	£	£
CH2830	Replacement PC's, Servers and Printers	100,000	60,000	60,000	60,000	60,000	340,000
CH2857	Endpoint Protection and Web-Email Filter	40,000	-	-	-	-	40,000
GF 3	AI and Automation	20,000	-	-	-	-	20,000
CP2848	Street Lighting	50,960	-	-	-	-	50,960
CP2860	Refrubishment of Play Areas	75,000	75,000	75,000	75,000	75,000	375,000
CP2863	Balancing Ponds	300,000	220,000	-	80,000	100,000	700,000
CP2865	Snowdome Footbridge	215,000	-	-	-	-	215,000
GF 1	Joint Waste Service Food Waste Caddies and Veh	634,900	-	-	-	-	634,900
CG2804	GF Capital Salaries	45,000	45,000	45,000	45,000	45,000	225,000
CA1004	Disabled Facilities Grant	800,000	820,000	840,500	861,500	883,000	4,205,000
CP2851	Energy Efficiency Upgrades to Commercial and Ind	75,000	76,880	78,800	80,770	72,790	384,240
CP2867	Roofing and renewal of walkways to Caledonian	8,800	-	-	-	-	8,800
CP2868	Roofing and renewal of walkways to Ellerbeck	6,700	-	-	-	-	6,700
CP2858	CCTV Upgrades	45,710	45,710	-	-	-	91,420
							-
GF 2	Tamworth Castle Structural Repairs (Contingency)	178,100	1,126,870	411,960	-	-	1,716,930
GF 4	Anker Valley Changing Rooms (Contingency)	150,000	-	-	-	-	150,000
							-
	Total General Fund Capital	2,745,170	2,469,460	1,511,260	1,202,270	1,235,790	9,163,950
	Proposed Financing:						
	Grants - Disabled Facilities	546,890	546,890	546,890	546,890	546,890	2,734,450
	General Fund Capital Receipts	49,400	61,280	45,000	-	145,000	300,680
	Sale of Council House Receipts	335,420	266,420	78,800	265,770	72,790	1,019,200
	General Fund Capital Reserve	324,960	20,000	-	-	-	344,960
	Other Contributions	650,400	-	-	-	-	650,400
	Unsupported Borrowing	838,100	1,574,870	840,570	389,610	471,110	4,114,260
	Total	2,745,170	2,469,460	1,511,260	1,202,270	1,235,790	9,163,950

Key:

 Capital appraisal received with New Scheme for 2025/26 or adjusted figures supplied

 Figure agreed to previous years report or ongoing scheme assumed at same amount

 No appraisal received

 Confirmation still required

Draft Housing Revenue Account Capital Programme 2025/26 to 2029/30		2025/26	2026/27	2027/28	2028/29	2029/30	TOTAL
		£	£	£	£	£	£
CR2001	Structural Works	205,000	210,100	215,400	220,800	226,300	1,077,600
CR2002	Bathroom Renewals	589,400	604,100	619,200	634,700	650,600	3,098,000
CR2003	Gas Central Heating Upgrades and Renewals	702,600	720,200	738,200	756,700	775,600	3,693,300
CR2004	Kitchen Renewals	717,500	735,400	753,800	772,600	791,900	3,771,200
CR2005	Major Roofing Overhaul and Renewals	2,306,250	2,363,900	2,423,000	2,483,600	2,545,700	12,122,450
CR2006	Window and Door Renewals	410,000	420,300	430,800	441,600	452,600	2,155,300
CR2007	Neighbourhood Regeneration	153,750	157,600	161,500	165,500	169,600	807,950
CR2008	Disabled Facilities Adaptations	717,500	735,400	753,800	772,600	791,900	3,771,200
CR2009	Rewire	281,880	288,900	296,100	303,500	311,100	1,481,480
CR2012	Works to Achieve zero Carbon	1,025,000	1,050,600	1,076,900	1,103,800	1,131,400	5,387,700
CR2015	Works to Eringden Block	317,000	-	-	-	-	317,000
CR2016	Roofing and renewal of walkways to Caledonian	11,900	-	-	-	-	11,900
CR2017	Roofing and renewal of walkways to Ellerbeck	14,850	-	-	-	-	14,850
CR3098	Renew Walkways Magnolia	410,000	-	-	-	-	410,000
CR4017	Sheltered Schemes	51,250	52,500	53,800	55,100	56,500	269,150
CR4023	Install Fire Doors High Rise	414,920	425,300	435,900	446,800	458,000	2,180,920
CR4025	Fire Risk Mitigation Works	461,250	472,800	484,600	496,700	509,100	2,424,450
CR4026	Damp and Mould Works	102,500	105,100	107,700	110,400	113,200	538,900
HRA 1	High Rise Structural Works	1,800,000	1,845,000	1,891,100	-	-	5,536,100
HRA 2	Improvements to Communal Areas of Blocks	164,000	168,100	172,300	176,600	181,000	862,000
CR4029	Sheltered Lifts and Stairlift Renewals	256,250	262,700	269,300	276,000	282,900	1,347,150
CR6014	Capital Salaries	400,000	400,000	400,000	400,000	400,000	2,000,000
CR6020	Street Lighting	76,440	-	-	-	-	76,440
CR7005	Regeneration & Affordable Housing	256,250	262,700	269,300	276,000	282,900	1,347,150
							-
	Total HRA Capital	11,845,490	11,280,700	11,552,700	9,893,000	10,130,300	54,702,190
	Proposed Financing:						
	Major Repairs Reserve	4,823,750	3,615,800	3,615,600	3,614,800	3,617,400	19,287,350
	HRA Capital Receipts	392,250	420,000	420,000	420,000	420,000	2,072,250
	Regeneration Revenue Reserves	2,938,800	2,586,800	2,586,200	2,441,800	2,730,900	13,284,500
	Capital Receipts from Additional Council House Sa	256,250	262,700	269,300	276,000	282,900	1,347,150
	Regeneration Reserve	718,690	480,300	478,800	480,000	481,400	2,639,190
	Affordable Housing Reserve	788,750	400,000	399,800	400,000	400,000	2,388,550
	Other	125,000	125,000	125,000	75,000	75,000	525,000
	Unsupported Borrowing	1,802,000	3,390,100	3,658,000	2,185,400	2,122,700	13,158,200
	Total	11,845,490	11,280,700	11,552,700	9,893,000	10,130,300	54,702,190

Contingencies 2025/26 to 2029/30

Capital Specific Earmarked & General Contingencies	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£	£	£	£	£	£
General Fund						
Specific Contingencies						
Castle Curtain Wall	-	-	-	-	-	-
Return on Investment	-	-	-	-	-	-
GF Plant & Equipment (Note 1)	-	-	-	-	-	-
GF Contingency Middle Entry Costs	-	-	-	-	-	-
Tamworth Castle Structural Repairs (Contingency)	178,100	1,126,870	411,960	-	-	1,716,930
Anker Valley Changing Rooms (Contingency)	150,000	-	-	-	-	150,000
General Capital Contingency (Note 1)						-
Total GF Capital	328,100	1,126,870	411,960	-	-	1,866,930
						-
Housing Revenue Account						-
HRA - General Capital Contingency (Note 1)	-	-	-	-	-	-
						-
Total HRA Capital	-	-	-	-	-	-

Notes

1) £100k contingency to be carried forward to 2025/26;