

**Report to:** Cabinet

**Date:** 5 December 2024

**Title:** Revenue & Capital Financial Monitoring Report  
Quarter 2 2024/25

**Report of:** Homira Javadi, Director of Finance and Performance

**Cabinet member:** Councillor Zoe Nicholson, Leader of the Council and  
Cabinet member for finance, assets and community wealth  
building

**Ward(s):** All

**Purpose of report:** The report provides an assessment of the Council's  
financial performance against its approved 2024/25 budget,  
incorporating key financial risks, issues and opportunities  
for the General Fund and the Housing Revenue Account

**Decision type:** Non-Key

**Officer recommendation(s):** It is recommended that the Cabinet:

- i) Note the forecast outturn position for 2024/25 and associated risks.
- ii) Delegate authority to the Director of Finance and Performance and the portfolio holder for finance to apply the required budget virements to support effective management of the overall budget.
- iii) To delegate authority to the Director of Regeneration and Planning and portfolio holder for finance, assets and community wealth building to take all necessary steps to enter into and complete a sub-lease and grant agreement with Wave Active for Ringmer Swimming Pool, as set out within paragraph 5.5 of the report.
- iv) Note Appendix 1 and 2

**Reasons for recommendations:** To update members on the financial position of the Council and ensure that the Authority complies with its financial regulations.

**Contact Officer(s):** Name: Homira Javadi  
Post title: Director of Finance and Performance  
E-mail: [homira.javadi@lewes-eastbourne.gov.uk](mailto:homira.javadi@lewes-eastbourne.gov.uk)  
Telephone number: 01323 485512

---

## 1. Introduction

- 1.1. Lewes District Council provides a range of services to residents and businesses across the area including the collection and disposal of waste, housing, and support for the homeless, leisure and community wellbeing, planning and tourism and culture activities.
- 1.2. However, the Council, alongside many other local authorities and organisations across the nation, has seen a significant impact on its finances originating from external factors beyond its control. The main drivers of these cost pressures are highlighted below:
- The high cost of borrowing affecting our ability to fund Capital Expenditure.
  - Cost of living pressures impacting on pay awards, the net cost of borrowing, contract inflation and energy costs.
  - The lack of clarity over Government funding for local government particularly around business rates and a long-term settlement to enable planning over the medium term.
- 1.3. As a result of these externally driven financial challenges, Corporate Management Team continue to be focused on reducing the cost-of-service delivery in their areas to support the Council to manage spend closer in line with the budget, while ensuring that services are protected and where possible enhanced.

## 2. General Fund

- 2.1 The forecast outturn position for 2024/25 as at Q2 2024/25 is an overspend of £335k as shown in Table 1.
- 2.2 The position at Q2 follows the usual ongoing review and monitoring of budgets and likely expenditure over the coming months to manage any variation to the budget in a timely manner.

Table 1: Quarter 2 Forecast Outturn 2024/25 by Directorate

### Financial Overview by Directorate

LEWES Directorate Forecast Outturn	23/24 Outturn	Current Budget	Previous forecast	Forecast (Actuals)	Variation to Q1 forecast	variance
	<b>£000</b>					
Corporate Services	6,381	6,153	6,082	6,248	166	95
Service Delivery	11,336	11,957	12,283	12,973	690	1,016
Regeneration & Planning	1,377	1,288	1,423	1,486	63	198
Tourism & Culture	303	300	303	273	(30)	(27)
Recharges to the HRA	(4,203)	(4,757)	(4,678)	(4,797)	(119)	(40)
<b>Cost of Services</b>	<b>15,194</b>	<b>14,941</b>	<b>15,413</b>	<b>16,184</b>	<b>771</b>	<b>1,242</b>
Capital Financing & Central	409	1,545	255	202	(53)	(1,343)
<b>Total Budgeted Expenditure</b>	<b>15,603</b>	<b>16,486</b>	<b>15,668</b>	<b>16,386</b>	<b>718</b>	<b>(100)</b>
Less Funding	(15,603)	(16,486)	(15,668)	(16,051)	(383)	435
<b>Net Position</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>335</b>	<b>335</b>	<b>335</b>

This section of the report provides an update on the forecast variations against the 2024/25 budget by Directorates.

### 3.0 Corporate Services

*The Corporate Services Directorate delivers services including human resources, financial services and performance, corporate management team, business transformation and legal and democracy support.*

Table 2: Corporate Services Forecast Outturn 2024/25

Corporate Services Forecast Outturn	23/24 Outturn	Current Budget	Previous forecast	Forecast	Variation to Q1 forecast	Variation
<b>£000</b>						
Business Strategy & Performance	508	886	946	942	(4)	57
Business Transformation	365	112	158	224	66	112
Information Technology	1,717	1,765	1,740	1,783	43	17
Finance	1,401	1,164	1,164	1,154	(10)	(10)
Human Resources	305	365	261	270	9	(95)
Internal Audit & Fraud	244	272	271	268	(3)	(4)
Legal	327	328	359	329	(30)	0
Democracy	1,074	830	780	859	79	29
Land Charges	39	(50)	(11)	(10)	1	40
Corporate Management Team	548	481	414	429	15	(52)
<b>Net Position</b>	<b>6,528</b>	<b>6,153</b>	<b>6,082</b>	<b>6,248</b>	<b>166</b>	<b>95</b>

3.1 The Directorate is forecasting a £95k pressure. The main variations are.

#### 3.2 **Business Transformation £112k pressure.**

Forecast assumes expenditure not meeting the qualifying requirement for capitalisation of revenue costs - offset by refocusing resources (further detail expected in Q3 report)

#### 3.3 **HR – (£95k) underspent.**

Lower than expected costs with regards to Corporate Training. The budget and activity are being reviewed and the service expects to be able to deliver the corporate training at around £40k less than planned due to efficiencies such as provision of higher levels of inhouse focussed training and greater use of online training offers.

#### 3.4 **Democracy - £29k pressure**

Additional cost of meetings and a one-off computer software renewal cost of £15k.

## 4.0 Service Delivery

The Service Delivery Directorate delivers services including housing and support to the homeless, waste, and environmental services and maximisation and welfare and regulatory service teams.

Table 3: Service Delivery Forecast Outturn 2024/25

Service Delivery Forecast Outturn	23/24 Outturn	Current Budget	Previous forecast	Forecast	Variation to Q1 forecast	Variation
	<b>£000</b>					
Customer First	(2,830)	3,165	3,119	3,552	433	<b>387</b>
Bereavements	45	(10)	38	26	(12)	<b>36</b>
Environment First	4,475	4,358	4,328	4,590	262	<b>232</b>
Homes First	2,509	2,833	2,891	2,828	(63)	<b>(5)</b>
Neighbourhood First	2,240	1,612	1,907	1,978	71	<b>366</b>
<b>Net Position</b>	<b>6,439</b>	<b>11,957</b>	<b>12,283</b>	<b>12,973</b>	<b>690</b>	<b>1,016</b>

4.1 The Directorate is reporting a £1.016m pressure

### **Customer First £387k pressure**

This largely relates to a forecast subsidy loss of £363k relating to the one-off pressures arising from the implementation of the new Revenues & benefits system.

4.2 **Bereavement Services £36k pressure.**

This relates to an under recovery of income expected linked to a fall in the National Death rates since COVID-19.

4.3 **Environment First £232k pressure**

£85k trade waste disposal costs driven by increase in land fill tax of 30%. £100k additional vehicle repair costs caused by HVO (fuel) repair implications.  
£45k under recovery in Trade waste income (fees were uplifted by 10% from October 2024 and reduced bin sales income because of the *bag2bin* capital project. Bin sales income is reduced as the original bins have been replaced with lorry compatible bins which are now provided for free) This is Health & Safety Best Practice as operatives no longer need to manually transfer waste to the refuse lorry.

4.4 **Neighbourhood First Team £366k pressure**

This relates to a pressure in Car Parks. The service area and Finance are undertaking a budget review, in consultation with the portfolio holder, to explore what budget corrections need to be made and the potential areas of realignment to budget (further detail expected in Q3 report).

## 5.0 Regeneration and Planning

The Regeneration and Planning Directorate delivers services including estates and property estate management and regeneration and planning activity across the area.

Table 4: Regeneration and Planning Forecast Outturn 2024/25

Regeneration & Planning Forecast Outturn	23/24 Outturn	Current Budget	Previous forecast	Forecast	Variation to Q1 forecast	Variation
<b>£000</b>						
Building Control	160	(7)	(7)	27	34	<b>34</b>
Planning	1,380	744	862	739	(123)	<b>(5)</b>
Estates & Property	358	(42)	62	244	182	<b>286</b>
Solar Panel Trading	(427)	(74)	(74)	(74)	(0)	<b>0</b>
Wave Leisure	172	371	338	336	(2)	<b>(35)</b>
Regeneration Portfolio	140	131	140	140	(0)	<b>8</b>
Regeneration	432	164	102	74	(28)	<b>(89)</b>
<b>Net Position</b>	<b>2,216</b>	<b>1,288</b>	<b>1,423</b>	<b>1,486</b>	<b>63</b>	<b>198</b>

5.1 The Directorate is forecasting a £198k pressure.

5.2 **Estates and Property £286k pressure.**

The Service currently has financial pressures in relation to Lewes House and the Marine Workshops but with the intention to resolve as part of the financial planning and budget setting process for 2025/26 onwards.

- **£84k Pressure - Lewes House** - rental income is lower than budgeted and operational costs higher than expected, which will be reviewed in 2025/26 and in the context of future lettings.
- **£336k Pressure - Marine Workshop** – following an extensive letting exercise, which included an amount of tenant fit-out works, the building is fully occupied and operational including use by Lewes District Council. This includes tenants such as Lanoguard, King & McGaw, and East Sussex College Group, as well as Mammoosh Bakery recently labelled locally as *‘helping bring Sussex town back to life’*. From this process, the budgets will be assessed and re-aligned for 2025/26 onwards supported by an updated business plan.
- **£44k Pressure – Robinson Road Depot** – linked to the transformation and investment in new waste and recycling facilities, including a requirement to increase the Electric Vehicle (EV) fleet for food waste services. This pressure includes the leasing of additional land to accommodate the space needed in-line with government requirements. This will be factored into future budgets.
- **(£165k) underspend** on Housing Delivery Team due to qualifying capitalisation of salaries.
- **(£59k) Clear Futures Partnerships** share of benefits from ongoing partnering services income.

- 5.3 **Regeneration (£89k underspent).** This relates to
- The capitalisation of staff costs agreed at £53k higher than budgeted.
  - The Newhaven Enterprise Centre are expecting a higher income of £33k
- 5.4 **Ringmer Swimming Pool** is located on the site of King's Academy, Ringmer and East Sussex County Council (ESCC) is the freehold owner. The Pool has been largely closed since covid and ESCC is unable to continue operating it. Attempts have been made by ESCC to find an alternative operator during the period of closure, but unfortunately these have proved unsuccessful.

ESCC has therefore been having discussions with LDC regarding taking a lease on the pool to avoid closure and terms have now been agreed between the parties for 10-year lease at a peppercorn rent. LDC would be responsible for outgoings related to the pool, but these obligations would pass to Wave Active through a sub-lease from LDC. Wave Active would then operate the pool on LDC's behalf as they do with the Council's other leisure facilities. The lease could be broken after 5 years if operation of the pool proves financially unviable.

Wave Active would require an annual sum of £150k to run the pool and assist with operational costs (up to £1.5m if the arrangement lasts for the full term of the lease), this is already included within the base budget. A grant funding agreement would formalise the annual transfer of funds to Wave Active for the term of the lease (or until the lease ends). Due diligence is being undertaken with regards to any potential subsidy implications.

## 6.0 Tourism and Culture

*The Tourism and Culture Directorate delivers a range of cultural activities across the area.*

Table 5: Tourism and Culture Forecast Outturn 2024/25

Tourism & Culture Forecast Outturn	23/24 Outturn	Current Budget	Previous forecast	Forecast	Variation to Q1 forecast	Variation
	<b>£000</b>					
Arts Development	18	(12)	3	3	0	<b>15</b>
Tourism & Culture	388	312	300	270	(30)	<b>(42)</b>
<b>Net Position</b>	<b>405</b>	<b>300</b>	<b>303</b>	<b>273</b>	<b>(30)</b>	<b>(27)</b>

- 6.1 The Directorate is reporting an underspend of £27k.

## 7.0 Technical and Central Controlled Budgets

Technical and centrally controlled budgets include the treasury budgets, capital financing and contingency budgets. This area will also include any Council wide funds.

Table 6: Technical and centrally controlled Forecast Outturn 2024/25

Central Budgets Forecast Outturn	23/24 Outturn	Current Budget	Previous forecast	Forecast	Variation to Q1 forecast	Variation
	<b>£000</b>					
Contingency - pressures	0	96	0	0	0	(96)
Contingency - Inflation	0	400	0	0	0	(400)
Contingency Pay Award	103	684	690	636	(54)	(48)
MRP & Interest Payments	0	2,312	2,226	2,226	0	(86)
Interest received	(1,250)	(1,489)	(2,185)	(2,185)	0	(696)
Earmarked reserve movements	0	(457)	(475)	(475)	0	(18)
Other	0	0	0	0	0	0
<b>Net Position</b>	<b>(1,148)</b>	<b>1,546</b>	<b>256</b>	<b>202</b>	<b>(54)</b>	<b>(1,344)</b>

- 7.1 The Council is reporting a forecast outturn position of (£1.3m) underspent. This currently offsets some of the forecasted service pressures outlined in this report.
- 7.2 **Capital Financing** – an over recovery of interest receipts of £696k plus a reduction in the expected Minimum Revenue Provision.
- 7.3 **Contingencies Pressures and Inflation £0.5m underspent**. This is held to offset Service Pressures.
- 7.4 **Contingencies Pay Award £54k underspend**. This is held to distribute in the coming weeks as the pay award is agreed.

## 8.0 Housing Revenue Account (HRA)

8.1 The Housing Revenue Account is a ring-fenced account used to manage the Council's housing stock. The costs of managing and maintaining the properties, collecting rents, and meeting the interest cost of monies borrowed to pay for investment in the housing stock are all charged to the housing revenue account.

Table 7: HRA Quarter 2 Forecast Outturn 2024/25

<b>LDC Housing Revenue Account 2024/25</b>						
	<b>Original Budget £000's</b>	<b>Revised Budget £000's</b>	<b>Forecast Actuals £000's</b>	<b>Q2 Variance £000's</b>	<b>Q1 Variance £000's</b>	<b>Q1-Q2 Variance £000's</b>
<b>INCOME</b>						
Dwelling Rents	-18,914	-18,914	-18,719	195	150	45
Non-Dwelling Rents	-417	-417	-377	40	38	2
Charges for Services and Facilities	-1,479	-1,479	-1,454	25	29	-4
Contributions towards Expenditure	-224	-224	-245	-21	-21	0
<b>GROSS INCOME</b>	<b>-21,034</b>	<b>-21,034</b>	<b>-20,795</b>	<b>239</b>	<b>196</b>	<b>43</b>
<b>EXPENDITURE</b>						
Repairs and Maintenance	6,155	6,155	6,001	-154	-115	-39
Supervision and Management	3,883	3,883	3,914	31	61	-30
Special Services	1,743	1,743	1,732	-11	2	-13
Rents, Rates, Taxes and Other Charges	146	146	192	46	9	37
Increase in Impairment of Debtors	58	58	58	0	0	0
Depreciation of Fixed Assets	6,018	6,018	6,018	0	0	0
Amortisation of Intangible Assets	3	3	3	0	0	0
Debt Management Costs	10	10	10	0	0	0
<b>GROSS EXPENDITURE</b>	<b>18,016</b>	<b>18,016</b>	<b>17,928</b>	<b>-88</b>	<b>-43</b>	<b>-45</b>
<b>NET COST OF HRA SERVICES</b>	<b>-3,018</b>	<b>-3,018</b>	<b>-2,867</b>	<b>151</b>	<b>153</b>	<b>-2</b>
Share of Corporate & Democratic Core	134	134	134	0	0	0
<b>NET OPERATING COST OF HRA</b>	<b>-2,884</b>	<b>-2,884</b>	<b>-2,733</b>	<b>151</b>	<b>153</b>	<b>-2</b>
<b>Capital Financing &amp; Interest Charges</b>						
Interest Payable	2,954	2,954	2,954	0	0	0
Interest Receivable	-549	-549	-549	0	0	0
Revenue Conts to Capital Expenditure	1,108	1,108	1,108	0	0	0
<b>Capital Financing &amp; Interest Charges</b>	<b>3,513</b>	<b>3,513</b>	<b>3,513</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>HRA (SURPLUS) / DEFICIT</b>	<b>629</b>	<b>629</b>	<b>780</b>	<b>151</b>	<b>153</b>	<b>-2</b>

8.2 The Housing Revenue Account is reporting a forecast outturn position of £151k overspend, which is the second outturn projection reported for financial year 2024/25 and an adverse change of £57k reported at quarter 1. The main variations are as follows:

8.3 During the reporting period, the Council's HRA is projected to see pressures of £150k in reduced rental income on properties in void. Whilst void repairs are progressing and not restricted by the financial constraints seen in 2023/24, the arising pressure represents how effectively the Council, and its contractors, are able to turnaround void properties to relet. This includes long-term void properties that have been through a rigorous review in conjunction with the Tenants of Lewes



District (TOLD) now planned for disposal to support ongoing HRA viability. The current rate of reduced rental income is 2.65% of the total rents due compared to a budgeted 1.81%. The outturn projection has been prudently calculated to assume a continued 2.65% in line with the projected outturn at quarter 1. Officers continue to investigate the underlying causes with a view to mitigating this pressure over the coming months.

- 8.4 The projected outturn for rental income is further reduced by changes to the New Build and Acquisition programme compared to assumptions made at the beginning of the year. The budget assumes new properties, on average, will come on stream at quarter 2 with additional rental income realised from October. The first let of 17 dwellings at Chalk Cliff House is not expected until early January 2025 resulting in reduced rental income projection of £49k. The scheme modelling 3 dwellings at Broyle Close is no longer progressing resulting in a reduced rental income projection of £17k. However, the Council's HRA has completed on fewer Right-to-Buys for the period and a revised assumption of 8 Right-to-Buys for the financial year will realise additional rental income of £22k.
- 8.5 There is a non-dwelling pressure of £38k for reduced garage income whilst sites are being considered for new development. Meanwhile, short-term uses are being reviewed as part of the housing development strategy to mitigate this ongoing pressure.
- 8.6 Charges for Services includes a pressure of £29k which represents reduced service charge income resulting from the applied cap of 7.7% to elements of the Retirement Housing Service Charges and £24k reduced service charge income on void properties. This is offset by a one-off receipt of £24k for backdated Solar Panel Feed-in-Tariff income.
- 8.7 On 1<sup>st</sup> October 2024, a Property Service Team restructure was embedded achieving £59k saving on staffing costs charged to the HRA in addition to the £96k saving on vacancies for the first half of the year.
- 8.8 Supervision and Management includes pressures of £18.0k projected legal costs for access injunctions to obtain EICR compliance certificates as well as other smaller variations.
- 8.9 During the reporting period, the Council's HRA is projected to overspend on buildings insurance by £62k due to a higher than forecast increase in insurance premiums. Savings on the contract costs for Grounds Maintenance and Utilities have partially mitigated this pressure by £40k'

## 9.0 General Fund Capital Expenditure

GF CAPITAL PROGRAMME	Original Budget 2024-25	2023/24 Carry Forward	Other Variations	Revised Budget 2024-25	Q2 Spend	Variance Q2 to Revised Budget
	£'000					
General Fund Housing	1,635	-	2,775	4,410	51	4,359
Regeneration	26,788	2,343	(5,490)	23,641	3,803	19,838
Asset Management	2,460	309	(50)	2,719	399	2,320
Indoor Leisure Facilities	1,909	1,535	(1,455)	1,989	72	1,917
Energy Schemes	3,895	-	-	3,895	-	3,895
Community Infrastructure Levy	900	-	-	900	232	668
Service Delivery	7,367	1,398	170	8,935	596	8,339
Specialist Projects	236	224	-	460	12	448
Parks & Pavilions	200	1,033	(190)	1,043	2	1,041
Open Spaces - Biodiversity	-	761	747	1,508	67	1,441
Information Technology	150	184	-	334	153	181
Stabilisation and Growth	255	-	13	268	-	268
Finance Transformation	150	-	-	150	-	-
<b>Total General Fund</b>	<b>45,945</b>	<b>7,787</b>	<b>(3,630)</b>	<b>50,102</b>	<b>5,387</b>	<b>44,715</b>

- 9.1 The total original budget for the 2024/25 Capital budget is £45.945m. The revised 2024/25 budget assumes the carry forward of prior year allocations due to slippage against the GF Capital Programme 2023/24 of £7.787m and additional variations of (£3.630m). The total revised capital budget for 24/25 now being £50.102m.
- 9.2 A detailed review of the council's capital programme is ongoing which will likely result in further amendments the council's capital commitments and impact the associated capital financing costs in future years.
- 9.3 Total spend to date at the end of Quarter 2 is £5.387m.
- 9.4 **General Fund Housing** - Includes loan allocations for council housing companies that have not yet been drawn and the allocation of funding for home adaptations via the Disabled Facilities Grant that will be undertaken throughout the financial year.
- 9.5 **Regeneration** - Most of the capital funds allocated to Regeneration are supported by government grants including Levelling Up Funding and UK Shared Prosperity Fund. The changes to the spend profile reflects the overall complexity of those programmes and whilst a significant amount of work has been undertaken over recent months it is likely that elements of the programme continue to be reprofiled throughout the lifetime of the projects.
- 9.6 **Asset Management** - Includes a variety of schemes associated with the ongoing programme of improvement and modernisation of council owned assets including items required to ensure the councils meets it Health and Safety obligations.
- 9.7 **Indoor Leisure Facilities** - This reflects ongoing Capital works at the four LDC Leisure sites operated by Wave Leisure, including major works at Seahaven Swim and Newhaven Health Hub.

- 9.8 **Energy Scheme** - Includes an allocation to support retrofit lending schemes currently being explored with *Lendology*.
- 9.9 **Community Infrastructure Levy** - The Community Infrastructure Levy (CIL) is a charge that the Council imposes on new development to help raise funds to deliver infrastructure that is required to support development and growth in their area. CIL block supports a variety of projects throughout the district.
- 9.10 **Service Delivery** - Projects related to this area include the Waste Vehicle Replacement and Equipment Programme and an allocation for the delivery of new crematorium and green burial facilities.
- 9.11 **Specialist Projects** - Relates to flood alleviation projects and coastal defence works.
- 9.12 **Parks & Pavilions** – Support upgrades and remedial works to all council run parks and pavilions in the district.
- 9.13 **Open Spaces (Biodiversity)** – Support local biodiversity projects, the purchase of land for biodiversity and the creation of wildflower and green spaces within the community.
- 9.14 **Information Technology** – Relates to a block allocation to refresh the council’s stock of laptops and maintain the councils IT infrastructure.
- 9.15 **Digital Transformation** - Reflects the council’s contribution to joint LEC projects designed to maximise service efficiency across both councils.
- 9.16 **Finance Transformation** - Is an allocation to support upgrade of LEC financial systems, which has been removed from the programme for 2024/25 as no cost are anticipated in the current financial year

## 10.0 Capital Expenditure – Housing Revenue Account (HRA)

HRA CAPITAL PROGRAMME	Original Budget 2024-25	2023/24 Carry Forward	Other Variations	Revised Budget 2024-25	Q1 Spend	Variance Q1 to Revised Budget
New Acquisitions & New Build	8,200	9,247	-	17,447	5,120	12,327
Major Works & Improvements	8,770	1,971	21	10,762	1,497	9,265
Housing Estates Recreation and Play Areas	53	29	-	82	5	77
<b>Total HRA</b>	<b>17,023</b>	<b>11,247</b>	<b>21</b>	<b>28,291</b>	<b>6,622</b>	<b>21,669</b>

- 10.1 The total original budget for the 2024/25 HRA Capital Programme is £17.023m. The revised 2024/25 budget assumes the carry forward of prior year allocations due to slippage against the HRA Capital Programme 2023/24 of £11.247m. There are additional variations of £21k. The total revised HRA capital budget for 24/25 now being £28.291m.
- 10.2 Total spend to date at the end of Quarter 2 is £6.622m.
- 10.3 **New Acquisitions & New Build** - During 2023/24 several large acquisitions were delayed have now taken place in Q1 therefore the prior year slippage will be

required to cover these. General needs acquisitions to replace units being disposed will also take place, funded from disposal receipts and the third round Local Authority Housing Funds. The acquisitions will take place in second half of the financial year.

10.4 **Major Works & Improvement** - Spend this year is currently lower as it is match-funding Social Housing Decarbonisation Fund Wave 2.2. Work is currently waiting on completion of Retrofit Assessments before it can go ahead. This area also includes capital works for disabled tenants.

10.5 **Housing Estates Recreation and Play Areas** – Only minor spend occurring to date.

## 11.0 Funding

*The Council's net service budget is funded from the following areas: Council Tax income, Business Rates income, Government grants and reserves. A breakdown of the funding budget is detailed below.*

Table 11: Financing Quarter 2 Forecast Outturn 2024/25

Financing Budgets Forecast Outturn	23/24 Outturn	Current Budget	Previous forecast	Forecast	Variation
<b>£000</b>					
Council Tax Income	(8,919)	(8,885)	(8,884)	(8,884)	<b>1</b>
NNDR	(4,977)	(4,584)	(4,868)	(4,393)	<b>191</b>
Grants and Contributions	(1,180)	(2,229)	(1,916)	(1,986)	<b>243</b>
Reserves Transfers	(527)	(788)	0	(788)	<b>0</b>
<b>Net Position</b>	<b>(15,603)</b>	<b>(16,486)</b>	<b>(15,668)</b>	<b>(16,051)</b>	<b>435</b>

Financing budgets are expected to underachieve by £435k.

## 12.0 Financial appraisal

12.1 The report reflects the position on 30<sup>th</sup> September 2024. Services have an early awareness of their pressures and as a result can take positive steps to mitigate the overspend in their areas.

12.2 The capital programme will continue to be reviewed with regard to the prior year slippage that is routinely added to the Original Budget to ensure that only those amounts required are allocated within the revised Capital Programme going forward.

## 13. Legal implications

13.1 There are no legal implications arising directly from this report.

## 14. Risk management implications

14.1 There are no risk management implications arising directly from this report.

## 15.0 Equality analysis

15.1 There are no environmental sustainability implications arising directly from this report.

## **16. Appendices**

Appendix 1 – LDC Capital Programme Monitoring

Appendix 2 – Glossary of Items

## **17.0 Background Papers**

LDC General Fund Revenue Budget 2024/25 and Capital Programme