

**REPORT TITLE: Council Financial Outturn & Rollover Report 2024/25 incorporating General Fund Revenue, Housing Revenue Account, Capital and Treasury Management.**

<b>Meeting:</b>	<b>Cabinet and Council</b>
<b>Date:</b>	<b>8th July 2025 and 16<sup>th</sup> July 2025</b>
<b>Cabinet Member (if applicable)</b>	<b>Councillor Graham Turner</b>
<b>Key Decision Eligible for Call In</b>	<b>Yes Yes</b>
<p><b>Purpose of Report:</b></p> <ul style="list-style-type: none"> <li>To provide information on the Council's 2024/25 financial outturn position for General Fund Revenue, Housing Revenue Account (HRA) and Capital Plan, including proposals for capital rollover from 2024/25 to 2025/26.</li> <li>To seek authority from Council to (a) approve the creation of the Strategic Budget Contingency reserve (paragraph 3.2.21 refers), with a balance of £3.5m at 31/3/25; funded from the Voluntary Revenue Provision Reserve and (b) approve £13.7m capital slippage from 2024/25 to 2025/26 and the removal of £0.4m uncommitted rollover from the Capital Plan (paragraph 3.2.33 refers).</li> <li>To provide an annual review of Council Treasury Management activity.</li> </ul>	
<p><b>Recommendations</b></p> <p>General Fund</p> <ol style="list-style-type: none"> <li>Note the improved revenue outturn position of +£5.6m overspend for 2024/25 (+£9.9m at Q3);</li> <li>Note the year end position on reserves and balances of £61.0m (excluding Statutory Reserves), particularly that the level of general reserve remains unchanged at £25m (paragraphs 3.2.19- 22);</li> <li>Approve the creation of the Strategic Budget Contingency reserve (paragraph 3.2.21), with a balance of £3.5m at 31/3/25; funded from the Voluntary Revenue Provision Reserve;</li> <li>Note the application of the Councils flexible capital receipts strategy to the value of £5.5m applied against eligible transformation costs in 2024/25 thereby reducing revenue expenditure, in accordance with the agreed budget (paragraph 3.2.32);</li> <li>Note the regular monitoring and review of corporate reserves in 2025/26 to be reported to Cabinet as part of the Quarterly financial monitoring cycle;</li> <li>Note the year end deficit position on the Collection Fund of £10.2m;</li> </ol> <p>HRA</p> <ol style="list-style-type: none"> <li>Note the HRA revenue outturn position for 2024/25 as an underspend of £1.3m reducing the contribution to capital in 24/25 by £1.3m. Note the year end reserves balance of £30.6m compared to £33.9m in 23/24;</li> </ol>	

Capital

- 8) Note the Council capital outturn position at £140.6m for 2024/25
- 9) Approve the £13.7m capital slippage from 2024/25 to 2025/26 and removal of £0.4m uncommitted rollover from the Capital Plan (paragraph 3.2.33);
- 10) Note the revised capital plan for the period 2025/26 onwards after taking into account the re-phasing of schemes and additional grant funding assumptions (Appendix 4a: Summary Capital Plan and Appendix 4b: Detailed Capital Plan);

Dedicated Schools Grant (DSG)

- 11) Note the cumulative deficit on the DSG of £63.8m, an increase of £20.1m from the previous year. This deficit is excluded from the Council’s balance sheet as a result of the Statutory Override as set out in the Local Authority Capital Finance and Accounting Regulations. Also to note the recent two year extension to Statutory Override, which now ends in March 2028 pending further consultation updates from Government expected in Autumn 2025.

Treasury Management

- 12) Note the Review of Treasury Management activity for 2024/25 (Appendix 5);

**Reasons for Recommendations**

This financial outturn report updates the Cabinet and Council on the year-end financial position as of 31 March 2025, together with key risks. Council approval is required for items (3) and (9) above.

**Resource Implications:**

To note information on financial monitoring for General Fund Revenue, DSG, Housing Revenue Account (HRA) and Capital Plan, as at 31 March 2025.

**Date signed off by Strategic Director & name**

**Rachel Spencer Henshall – 25 June 2025**

**Is it also signed off by the Service Director for Finance?**

**Kevin Mulvaney – 25 June 2025**

**Is it also signed off by the Service Director for Legal Governance and Commissioning?**

**Sam Lawton – 25 June 2025**

**Electoral wards affected: All**

**Ward councillors consulted: None**

**Public or private: Public**

**Has GDPR been considered?** Yes. This report contains no information that falls within the scope of General Data Protection Regulations.

## 1. Executive Summary

The attached slides provide information on financial outturn for General Fund Revenue, Housing Revenue Account (HRA), DSG and Capital Plan, as at 31st March 2025. The outturn position improved significantly to a £5.6m overspend from a projected overspend at Q3 of £13m, which had been netted down to £9.9m by an assumed use of general reserves. The outturn on Children and Families was in line with the Q3 projection; however in all other services the position has improved significantly. This, combined with the year-end position on reserves and balances of £61.0m (£61.2m at 31.3.24 (excluding Statutory Reserves), highlights that the in-year position hasn't been underpinned by significant drawdowns in reserves and the increase in underlying stability in the Council's financial position.

## 2. Information required to take a decision

2.1 The slides accompanying this report provide a more detailed breakdown of the outturn position, as follows:

General Fund revenue outturn position in 2024/25 by service area;

General Fund reserves and balances movements in-year;

HRA revenue outturn position including movements in HRA reserves in-year;

DSG Outturn position

Capital outturn position in 2024/25;

Treasury management prudential indicators.

## 3. Implications for the Council

3.1 **Council Plan**  
N/A

### 3.2 Financial Implications

3.2.1 The outturn position improved significantly to £5.6m overspend from a projected overspend at Q3 of £13m which was netted down to £9.9m from an assumed use of general reserve. The outturn on Children and Families was in line with the Q3 projection; however in all other services the position has improved significantly and the variances are explained below.

3.2.2 Throughout the year controls have remained in place with regard to recruitment with posts only released following agreement with Executive Directors and People Panel. Budget holders are reminded to only spend where necessary for service delivery and all services, but especially those in Place Directorate, have been encouraged to maximise all available external funding opportunities.

## Outturn Position 2024/25

	Revised Budget £000	Outturn £000	Variance £000	Variance Q3 £000	Change from Q3 £000
Children and Families	105,910	111,649	5,739	5,823	(84)
Adults and Health	112,624	113,927	1,303	2,785	(1,482)
Place	56,672	62,996	6,324	8,486	(2,162)
Public Health and Corporate Resources	56,576	56,725	149	1,602	(1,453)
Central Budgets	30,793	22,834	(7,959)	(5,705)	(2,254)
<b>General Fund</b>	<b>362,575</b>	<b>368,131</b>	<b>5,556</b>	<b>12,991</b>	<b>(7,435)</b>
Use of unallocated reserves				(3,043)	3,043
Use of earmarked reserves		(8,691)	(8,691)	-	(8,691)
Contribution to Budget Contingency Reserve		3,135	3,135	-	3,135
<b>Adjusted General Fund Total</b>	<b>362,575</b>	<b>362,575</b>	<b>-</b>	<b>9,948</b>	<b>(9,948)</b>



- 3.2.3 The £5.6m overspend position is made up of £3.2m net underspends on base budgets, offset by £8.8m savings slippage. The key service variations (outlined in more detail in the slide deck) are summarised below.
- 3.2.4 The outturn position for **Children's Services** is £5.7m (Q3 position was £5.8m). The main reason for the pressures in this service mainly arise from increasing costs of External Residential Placements, due to increased demand, increased placement costs due to complexity and lower than anticipated savings from the use of internal capacity.
- 3.2.5 The variance includes funding from the Earmarked Demand Reserve of £1.5m and therefore there is an underlying pressure of £7.2m.
- 3.2.6 In the Learning & Early Support area of the service, there are continued pressures of £0.3m relating to the necessary use of Educational Psychology Locums to support service delivery, this is also linked to increased demand and complexity.
- 3.2.7 The outturn position for the **Adults & Health** Directorate is an overspend of £1.3m (1.1%) which is £1.5m lower than the previous quarter.
- 3.2.8 Within the Adult Social Care related portfolio, variances were seen across key demand-led headings, on Independent Sector Home Care (+£3.4m, with all client groups showing higher weekly unit costs), on Self-Directed Support (+£1.7m, with overspends on commissioned services and Direct Payments, predominantly on Learning Disability). These were offset by an underspend on external care home placements (£1m under, mainly on Older People volumes, and on Physical Disability unit weekly costs) and on Shared Lives (£0.6m under, due to lower activity levels). There is also a variance in relation to the savings target around income/debt (£2.1m not achieved) within the Adults Transformation programme. An underspend was seen across employee budgets (£1.6m) due to vacant posts.
- 3.2.9 Within the Directorate, the Communities and Access portfolio has an underspend of £1.8m, with £1.3m of this being in relation to underspend on staffing.

- 3.2.10 The outturn position for the **Place** directorate is an overspend of £6.3m which is a £2.2m favourable movement from Q3.
- 3.2.11 Highways and Streetscene overspent by £6.4m, including £1.2m on Waste with pressures from fleet costs, regulatory changes related to Persistent Organic Pollutants and Inflation on chemicals. There was also a £0.6m overspend on Transport relating to increased cost of parts, the cost of fuel and external hire charges linked to an ageing fleet. Adverse Weather overspent by £1.5m due to significant weather events throughout the year. Parking also saw an overspend of £2.3m due to delays in implementation of new tariffs, permits and charges in new car parks, lower than expected income across car parks and a reduction in income from penalty charges as more customers choose to pay using apps. In addition, there was a deficit within Highways of £0.9m mainly relating to £0.3m street lighting, £0.2m horticultural maintenance.
- 3.2.12 There was an overall underspend of (£0.2m) across Development. This included an underspend of (£0.8m) on Housing Services (maximising staff charges to capital and grants, and underspends of (£0.2m) within both Housing Growth linked to vacancies and Town Centres (£0.1m) due to recharges to capital schemes.
- 3.2.13 There was a net overspend of £0.9m in Property, this included overspends in Corporate Landlord maintenance £1m, Assets and Estates also overspent by £0.3m which included the cost of holding assets for major capital schemes such as the Piazza. These were offset with surpluses from Capital Delivery, Technical Advice and Asset Maintenance (£0.5m) from maximising charges to capital and other external funding.
- 3.2.14 Environmental Strategy & Climate Change overspent by £1m. This included a £1.4m pressure on Home to School Transport linked to increased demand and cost inflation. This was offset by a (£0.4m) underspend in the Directorate Programme Office linked to holding of vacancies.
- 3.2.15 Skills and Regeneration underspent by £1m. Various underspends were seen across the portfolio including within Major Projects (£0.3m), Employment & Skills (£0.3m), Business & Economy (£0.1m), Planning and Building control (£0.2m) and Flood Management (£0.1m).
- 3.2.16 **Public Health and Corporate Resources** overspent by £0.149m, but with significant variances across the directorate. There was a significant overspend of £4.98m on Housing Benefit subsidy loss due to rising numbers of people in bed and breakfast and other temporary accommodation for which 100% subsidy is not payable by the DWP. Strategy and Innovation underspent by £1.36m, and Peoples Service underspent by £0.76m due to vacancy management, and a continuation of IT savings. Culture and Visitor Economy underspent by £2.86m, due to catering, and caretaking and cleaning underspending by £1m each. An underspend on Sports and Physical Activity Energy costs created an underspend of £0.3m.
- 3.2.17 There is an underspend of £8.0m in **Central Budgets** (£5.7m at Q3). Within this position is the release of £3.8m of inflation budgets no longer required following the 2024/25 pay agreement and reconciliation of final energy costs. There are also savings in contingencies of £2.5m identified across Central Budgets. A further £0.7m underspend relates to the redistribution of business rates levy surplus from Government which was announced in the Provisional Finance Settlement in December 2024. Treasury Management budgets underspent by £0.8m; due to a reduction in capital plan spend and interest rates on borrowing being lower than budgeted.

3.2.18 A number of activities aimed at reducing spending further within the financial year were identified, and continue to be managed and monitored, including: stopping expenditure not deemed as critical to service delivery; implementing a process whereby all recruitment is approved by senior management; ongoing review of discretionary fees and charges and increasing these by inflation where possible; exploring all external funding opportunities to bring in additional income and an ongoing review of the Council's capital investment programme to manage the overall treasury management budget. These controls will be kept under close review and will be amended accordingly based on the financial position through 2025/26. The first report for 2025/26 will be presented at Cabinet in September.

### **Reserves**

3.2.19 The S151 Officer, in line with Financial Procedure Rules, has undertaken a review of all balances, earmarked reserves, grant reserves.

3.2.20 Members will note that, at outturn, the Council's General (Unallocated) Reserve remains at £25m. An assessment of the minimum and desirable level of reserves was made as part of the 2025/26 budget process. They were assessed to be a minimum balance of £16m and a desirable balance of £29m. The balance at outturn remains towards the assessed desirable level with plans to top up by a further £1m in 2025/26 as per the approved budget.

3.2.21 The 2025/26 budget provided additional resources in excess of £50m to help fund budget pressures across all services. However, since the budget was approved in early March, a number of issues have emerged that could affect the delivery of the 2025/26 budget and it is therefore appropriate that these are recognised and addressed by the creation of a Strategic Budget Contingency reserve totalling £3.5m. These issues include:

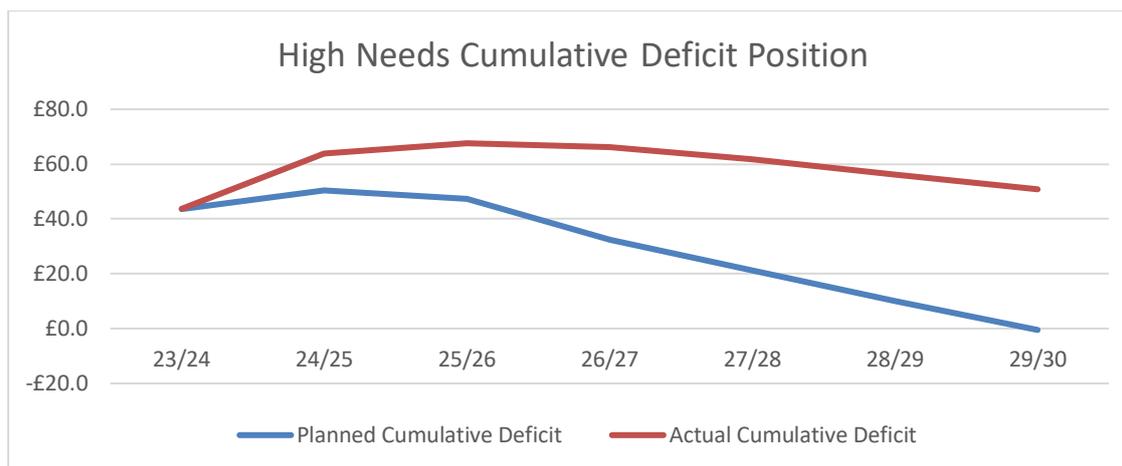
- Employers pay offer of 3.2% (Unions recommending rejection) is in excess of the 3% budgeted, estimated at £0.4m
- Ongoing demand pressures within Children's Services and Home to School Transport
- Delay in the transfer of the Dementia Care Homes savings proposals
- Additional adverse weather budget may be required if the 2024/25 weather was repeated

3.2.22 Total usable reserves at March 2025, are £61.1m, of which £36.0m are identified as earmarked. This is in line with the equivalent figure at March 2024.

### **DSG**

3.2.23 The 23/24 in-year deficit was £15m taking the total DSG Deficit to £43.7m at 31st March 2024. The increase in costs was mainly due to rising complexity and demand in mainstream schools and inflationary increases from external providers. These pressures have continued into 24/25 and the outturn position is an in year overspend of £20.1m on High Needs expenditure. The cumulative deficit in this area has now increased to £63.8m. The service is working collaboratively with schools to change the way in which funding is allocated to mainstream schools for children with SEND through the introduction of "Cluster Working" and it is anticipated that over time this will lead to stabilisation of costs and reductions. A more robust approach to contract management has also been introduced and this is helping to mitigate the impact of provider increases. Quarterly submissions are made to the DfE in respect of performance against the Safety Valve plan and following this funding is released in accordance the Safety Valve plan. Meetings are also held with DfE Advisors to provide assurance that monitoring processes are robust and the Local

Authority is doing all it can to mitigate the deficit position. The graph below illustrates the current cumulative deficit position against the planned trajectory in the Safety Valve plan.



3.2.24 The DSG is currently subject to a Statutory Override meaning that the deficit is excluded from the Council's balance sheet. The statutory override has recently been extended by a further two years and now ends in March 2028. As referenced in the 2025/26 budget report, should the statutory override end at that date without additional funding then the Council (in common with many across the country) will need address the deficit and ongoing budget pressures. The Council awaits further updates from Government in the Autumn around the treatment of historic and ongoing deficits.

## HRA

3.2.25 The HRA outturn is an operational underspend of £1.3m. However, an additional revenue contribution to capital of £4.6m was made. To ensure the HRA is balanced this has necessitated a use of reserves of £3.3m. Pressures relate to additional investment for building safety, maintenance of housing stock, costs associated with disrepair and rent loss from void turnaround times, The aim is to achieve a full cost recovery of service charges, for 2024/25 there was a shortfall of £3.4m and action has now been taken to increase income from district heating schemes effective from 1<sup>st</sup> January 2025 and increase other service charges from 1<sup>st</sup> April 2025.

## Capital Plan

3.2.26 This time last year, the Council Financial Outturn and Rollover Report 2023/24 reported the Capital Plan budget for 2024/25 as £340.8m, as a starting position. Capital Plan updates have been presented periodically throughout the year through quarterly financial monitoring. As part of the Quarter 3 Corporate Financial Monitoring Report on 11 March 2025, the 2024/25 capital budget was reset at £169.2m. The budget has decreased further by £16m since Quarter 3 largely due to the re-profiling of budget into latter years of the plan (-£17.8m) offset by increased grants and contributions (+£2.2m) and other minor changes (-£0.4m). A breakdown of the budget change since Quarter 3 is shown in more detail in Appendix 3.

3.2.27 The Council's revised capital plan budget was **£153.2m** at year end. Capital expenditure in 2024/25 totalled **£140.6m**; equivalent to 91% against budgeted investment.

- 3.2.28 The 2024/25 capital outturn of £140.6m is about £7.7m lower than equivalent capital outturn spend in 2023/24 of £148.3m. The variance at year end is **£12.6m**; £10.4m General Fund, £2.2m HRA.
- 3.2.29 The capital outturn position is summarised in Table 1 below and Appendix 1. Of the total £140.6m actual spend, £69.2m relates to strategic priorities (49%), £64.9m relates to baseline capital spend (46%), the balance of £6.5m to projects of a one-off nature (5%).
- 3.2.30 Capital expenditure at year end was funded by the following sources of finance; borrowing £31.5m, grants and contributions £66.1m, capital receipts at £14.4m, Major Repairs reserve (HRA) at £24m and HRA reserves/revenue contributions at £4.6m. This is shown in more detail at Appendix 4 (a).

**Table 1 - Capital Outturn**

EXPENDITURE CAPITAL PLAN	Original Budget £'000	Revised Budget £'000	Outturn £'000	Variance £'000	Variance %
Children and Families	26.4	12.8	8.8	(4.0)	(31%)
Adults & Health	8.3	5.5	3.2	(2.3)	(42%)
Place	230.4	91.7	86.0	(5.7)	(6%)
Public Health & Corporate Resources	12.2	6.1	7.7	1.6	25%
<b>General Fund</b>	<b>277.3</b>	<b>116.1</b>	<b>105.7</b>	<b>(10.4)</b>	<b>(9%)</b>
<b>Housing Revenue Account</b>	<b>63.5</b>	<b>37.1</b>	<b>34.9</b>	<b>(2.2)</b>	<b>(6%)</b>
<b>COUNCIL TOTAL</b>	<b>340.8</b>	<b>153.2</b>	<b>140.6</b>	<b>(12.6)</b>	<b>(8%)</b>

- 3.2.31 The key service capital variations are outlined in more detail in the slide deck (Appendix 1). The nature of capital schemes and funding means that the variance is largely slippage due to the size and complexity of schemes resulting in larger lead times than original profiled for in capital budgets or due to the timing of external funding being secured.
- 3.2.32 The Council's budget strategy set out 'in principle' proposals to allow officers the flexibility to consider a range of funding options in-year to meet intended transformation objectives, hence under the flexible capital receipts policy, £4m for Transformation Capitalisation was originally set aside in the budget for transformation costs. At year end £4.5m revenue transformation costs and £1m pension strain/voluntary redundancy costs were capitalised resulting in an overspend of £1.5m. The Council used the powers under the government guidance to fund the increase in costs from higher 'in-year' generated capital receipts, so the overspend is not being rolled forward into the new financial year.
- 3.2.33 As part of the year end Uncommitted Rollover exercise undertaken by the Capital Assurance Board, £0.4m of uncommitted capital budgets no longer required has been removed from the Capital Plan and will not be rolled forward. This includes £351k for the Carephones Digital Switchover project which is now complete and the underspend is no longer required. The balance is due to smaller releases on budgets uncommitted at year end for Corporate Landlord Wellbeing (£50k), Property Investment Fund (£28k), Homes for Children (£20k) and KAL (£7k).

3.2.34 The proposal is to effectively re-profile the remaining planned spend totalling £13.7m (£12.6m outturn plus £1.5m flexible capital receipts underspend not carried forward, less £0.4m uncommitted resources removed) from 2024/25 to 2025/26; £11.5m General Fund and £2.2m HRA. This largely reflects deferred spend against existing schemes rolled forward into future years.

### Updated Multi-year Capital Plan

3.2.35 The Quarter 3 Capital Plan approved at Cabinet on 11<sup>th</sup> March 2025 for the period 2025/26-2032 totalled £1.25bn. The Conservative budget amendment approved at Council 5<sup>th</sup> March, removed a net £20.6m from the overall Plan, revising the Quarter 3 multi-year Capital Plan position to £1.23bn. During the last financial quarter, the plan for 2025/26 onwards increased by a net £19.3m, due to further re-profiling from 2024/25 in later years (+£17.8m) (paragraph 3.2.26) and additional grant and capital allowances (+£1.4m). At outturn, the multi-year capital plan stood at £1.25bn prior to the refresh and addition of rollover.

**Table 2 – Multi-Year Capital Plan Outturn Position**

	2024/25 £'m	Capital Plan at Outturn					Total £'m
		2025/26 £'m	2026/27 £'m	2027/28 £'m	2028/29 £'m	2029/30 - 31/32 £'m	
Quarter 3 Budget Plan	169.2	400.1	278.2	168.4	153.3	252.4	1,252.4
Conservative Amendment	0.0	0.2	1.5	(1.8)	(4.2)	(16.3)	(20.6)
<b>Revised Q3 Capital Plan</b>	<b>169.2</b>	<b>400.3</b>	<b>279.7</b>	<b>166.6</b>	<b>149.1</b>	<b>236.1</b>	<b>1,231.8</b>
Change - Re-profile from 2024/25	(17.8)	11.4	4.7	1.7	0.0	0.0	17.8
Change - net additions/removal	1.8	1.4	0.0	0.0	0.0	0.0	1.4
<b>Revised Capital Plan (Outturn)</b>	<b>153.2</b>	<b>413.1</b>	<b>284.4</b>	<b>168.3</b>	<b>149.1</b>	<b>236.1</b>	<b>1,251.0</b>

3.2.36 The multi-year Capital plan has been updated to take into account capital slippage, rephasing and changes in the estimated levels of resources available. The revised Capital Plan totals £1.273bn; £928m General Fund, £345m HRA. This is detailed in Appendix 4(a) and 4(b) and summarised in Table 3 and 4 below:

**Table 3 – Revised Capital Plan (Expenditure Summary)**

EXPENDITURE CAPITAL PLAN	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 - 31/32 £m	Total £m
Children & Families	25.7	29.6	21.6	3.8	2.8	83.5
Adults & Health	4.2	8.5	3.0	0.0	0.0	15.7
Place	204.2	215.3	121.9	77.9	144.2	763.5
Public Health & Corporate Resources	18.9	11.8	11.6	11.5	11.1	64.9
<b>GENERAL FUND</b>	<b>253.0</b>	<b>265.2</b>	<b>158.1</b>	<b>93.2</b>	<b>158.1</b>	<b>927.6</b>
<b>HOUSING REVENUE ACCOUNT</b>	<b>47.4</b>	<b>63.2</b>	<b>70.6</b>	<b>54.5</b>	<b>109.5</b>	<b>345.2</b>
<b>COUNCIL TOTAL</b>	<b>300.4</b>	<b>328.4</b>	<b>228.7</b>	<b>147.7</b>	<b>267.6</b>	<b>1,272.8</b>

**Table 4 – Revised Capital Plan (Funding Summary)**

<b>CAPITAL PLAN FUNDING SUMMARY</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30 -</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>31/32 £m</b>	<b>£m</b>
<u>Direct / Earmarked Contributions to Schemes</u>						
Capital Grants / Contributions	124.1	116.9	77.0	47.9	54.2	<b>420.1</b>
Earmarked Capital Receipts	13.3	9.5	1.5	8.9	7.2	<b>40.4</b>
Service Funded Prudential Borrowing	24.4	30.6	17.2	10.0	12.0	<b>94.2</b>
HRA Revenue Contributions/ Reserves	17.9	0.0	1.0	0.0	0.0	<b>18.9</b>
HRA MRR	24.0	24.2	24.5	24.7	75.7	<b>173.1</b>
<u>Pooled Resources</u>						
Non-Earmarked Capital Receipts	4.0	4.0	4.0	4.0	4.0	<b>20.0</b>
Corporate Prudential Borrowing	92.7	143.2	103.5	52.2	114.5	<b>506.1</b>
<b>COUNCIL TOTAL</b>	<b>300.4</b>	<b>328.4</b>	<b>228.7</b>	<b>147.7</b>	<b>267.6</b>	<b>1,272.8</b>

- 3.2.37 In addition to slippage, the General Fund Capital Plan includes further grant funding. The Department for Education announced capital funding for the 2025-26 financial year to support the creation of school places for children and young people with Special Educational Needs and Disabilities (SEND) or who require Alternative Provision (AP). Kirklees was allocated funding (+£6.1m) to adapt schools to be more accessible for children with SEND, to create specialist facilities within mainstream schools that can deliver more intensive support adapted to suit the pupils' needs, and to create special school places for pupils with the most complex needs. This is profiled in 2027/28 until further spend decisions are made. The District Sufficiency programme has been updated to reflect revised cost estimates for the rebuild of the two Special Schools, as presented to Cabinet in July 2024. The budget is contained within the existing budget envelope, utilising the High Needs grant of £7.056m previously allocated to Kirklees in 2024. The Children and Families Capital Plan also reflects some increases in confirmed grant allocations for Schools Conditions (+£476k), Basic Need (+£131k) and Devolved Formula Capital since the budget was approved in March.
- 3.2.38 The Place Capital Plan includes additional Disabled Facilities Grant (+£0.9m) built into the Private Sector Housing Plan for the provision of home adaptations to help eligible older and disabled people to help them live as independently and safely as possible in their homes. The Play Strategy plan also reflects an increase (+£0.2m) in both general capital contributions from the Lawn Tennis Association to fund a program of works at three of the four sites and Section 106 towards playable spaces.
- 3.2.39 Based on 2024/25 qualified transformation costs capitalised under the flexible use of capital receipts policy (para 3.2.32), the Transformation Capitalisation budget for 2025/26 has been increased by £2m to £6m in 2025/26. This will be funded from increased capital receipts anticipated within the financial year.
- 3.2.40 The Housing Revenue Account Capital Plan including rollover totals £345.2m from 2025-26 to 2031-32 and provides for investment in existing stock of £300.1m, which includes a planned replacement programme of £173.1m, a building safety programme of £80.1m and works to high rise projects of £46.9m. It provides for additional council housing costing £42.8m and £2.3m for IT system replacements and upgrades.
- 3.2.41 The high-rise project at Buxton House was approved at Cabinet in 2021 to bring about the wholesale remodelling and improvement of this high-rise building including the purchasing of any leasehold interest to support the wider regeneration of this area of the town centre.

This Council property, at the time of approval, required all existing tenants and leaseholders to be re-located which was successfully achieved by June 2025 to allow for the works to commence. During 2024/25 a robust procurement exercise was undertaken to appoint an experienced contractor to undertake the extensive works required for its regeneration given its current condition. This has involved Kirklees Council working closely with a number of experienced contractors as part of that process but unfortunately the Council has ended up with no compliant tenders for Buxton House and, therefore has now ended the procurement process. This, however, now provides the opportunity to review all available options for Buxton House including any new external funding opportunities that can support the Council to bring about its improvement and, also explore some options that were not previously considered. Once this option appraisal work is completed this will inform the future plan for Buxton House and a new procurement process, subject to Council approval

3.2.42 A full review of the capital plan is underway and an update will be included in the Council's Medium Term Financial Plan report in September 2025. All schemes will be reviewed in respect of deliverability priorities, financial risk and other risks and this will also consider new capital bids.

3.2.43 Future capital plan updates will be presented periodically to Council as part of the annual budget strategy update and annual budget approval reports to Cabinet and Council as a matter of course as part of the annual planning cycle.

3.2.44 Provision has been made in the Revenue Budget and Medium-Term Financial Plan to cover the expected costs of borrowing. As revenue resources are themselves under considerable pressure, close scrutiny will need to continue to ensure borrowing fulfils the criteria of being affordable, prudent and sustainable.

### **3.3 Legal Implications**

Section 28 Local Government Act 2003 imposes a statutory duty, from time to time to carry out budget monitoring of expenditure and income against budget calculations during the financial year. If there is a deterioration in its financial position the council must take such action as it considers necessary to remedy the situation.

### **3.4 Climate Change and Air Quality**

N/A

### **3.5 Other (eg Risk, Integrated Impact Assessment or Human Resources)**

There is an ongoing risk around the volatility of demand budgets.

## **4 Consultation**

This report has been prepared by the Service Director - Finance, in consultation with the Executive Leadership Team.

## **5 Engagement**

N/A

## **6 Options**

### **6.1 Options considered**

N/A

## 6.2 **Reasons for recommended option**

N/A

## 7 **Next steps and timelines**

Subject to member approval, capital slippage proposals and the update of the multi-year capital plan will be incorporated into in year financial monitoring in 2025/26 and reported quarterly to Cabinet from Quarter 1 onwards.

Cabinet are asked to agree that the recommendations as set out in the report be submitted to the meeting of Council on 16 July 2025, with a recommendation of approval.

## 8 **Contact officer**

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## 9 **Background Papers and History of Decisions**

Annual budget report 2025-27 to Budget Council, 5 March 2025

Annual budget report 2024-27 to Budget Council, 6 March 2024

Budget Strategy Update Report to Council, 18 September 2024

Corporate Financial Monitoring Quarter 1, 2024/25 to Cabinet 13 August 2024

Corporate Financial Monitoring Quarter 2, 2024/25 to Cabinet 10 December 2024

Corporate Financial Monitoring Quarter 3, 2024/25 to Cabinet 11 March 2025

## 10 **Appendices**

Appendix 1: Financial Monitoring slides

Appendix 2: Savings Plan slides

Appendix 3: Budget Changes at Outturn since Q3 Monitoring

Appendix 4: Capital Plan

Appendix 5: Annual Report on Treasury Management 2024/25

## 11 **Service Director responsible**

Kevin Mulvaney, Service Director – Finance.



# Corporate Financial Monitoring – Outturn 2024/25

# Revenue Headlines

- Draft Outturn Monitoring – Overspend of **£5.6m**
- Base budgets underspent by £3.2m and there was slippage of savings totalling £8.8m
- Savings delivered were £33.7m, 79% of the target of £42.6m
  
- Total Useable Reserves of **£61m** at 31<sup>st</sup> March 2025 of which:
  - Unallocated reserves of **£25m** (unchanged from 31<sup>st</sup> Mar 24)
  - Earmarked Reserves of **£36m**



# Outturn Position 2024/25

	Revised Budget £000	Outturn £000	Variance £000	Variance Q3 £000	Change from Q3 £000
Children and Families	105,910	111,649	5,739	5,823	(84)
Adults and Health	112,624	113,927	1,303	2,785	(1,482)
Place	56,672	62,996	6,324	8,486	(2,162)
Public Health and Corporate Resources	56,576	56,725	149	1,602	(1,453)
Central Budgets	30,793	22,834	(7,959)	(5,705)	(2,254)
<b>General Fund</b>	<b>362,575</b>	<b>368,131</b>	<b>5,556</b>	<b>12,991</b>	<b>(7,435)</b>
Use of unallocated reserves				(3,043)	3,043
Use of earmarked reserves		(8,691)	(8,691)	-	(8,691)
Contribution to Budget Contingency Reserve		3,135	3,135	-	3,135
<b>Adjusted General Fund Total</b>	<b>362,575</b>	<b>362,575</b>	<b>-</b>	<b>9,948</b>	<b>(9,948)</b>



# Outturn– Directorate Variance Analysis

Directorate	Savings Slippage  £000	Net Pressures  £000	TOTAL Variance  £000
Children and Families	856	4,883	5,739
Adults and Health	4,142	(2,839)	1,303
Place	3,833	2,491	6,324
Public Health and Corporate Resources	-	149	149
Central	-	(7,959)	(7,959)
<b>General Fund</b>	<b>8,831</b>	<b>(3,275)</b>	<b>5,556</b>



# Directorate Budget Variances

## Children and Families

### Children and Families Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£105.91m	£111.65m	+£5.739m	-£0.084m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Section 17 budget pressures against A&I and CWD	£3,031k	+£2,035k	+£300k	<p>The CWD service provide direct payments and Agency home care provision which prevents family breakdown and children coming into Kirklees care with significant cost benefit. Outturn overspending this year of £1,445m linked to complexity of cases, small cohort of high value care packages, reduced YPAT offer and cost of living inflation. There are currently 187 agency home care packages and 145 direct payments.</p> <p>Outturn overspending of £590k on No recourse to public funds budget. Demand for financial support has increased significantly due to limited internal service capacity combined with capacity issues at the law centre resulting in families unable to receive timely legal advice. This in turn has prolonged the LA duty to continue to provide accommodation and financial support.</p> <p>As of 31<sup>st</sup> March 2025 Total Families: <b>22- decrease of 5 since December.</b></p> <p>Total Adults: <b>24- decrease of 9 since December.</b> Total Children: <b>37-decrease of 24 since December.</b> How many families in a hotel: 19- <b>decrease of 6 since December.</b> Hotel Accommodation Costs: <b>£56,432- decrease of £18,591 since December.</b> Monthly Voucher Costs: <b>£8,082- decrease of £3,265 since December.</b></p>	<ul style="list-style-type: none"> <li>• Robust analysis is being undertaken in relation to the CWD packages of care - SD JG chairing resource allocation panel scrutinising packages of care.</li> <li>• Presumption of direct payments to families , rather than packages of care from agencies which will provide savings.</li> <li>• Redesign of YPAT and Short Breaks offer aims to redirect lower cost packages of care to existing support available in community and also the redesigned provision such as outdoor learning etc</li> <li>• Assistive technology project is reducing packages of care and has saved circa 260k this year.</li> <li>• Discussion with DCS and CEX will take place after Q1 re discussion about external focused piece of work in relation to cohort of CYP</li> </ul>

# Directorate Budget Variances

## Children and Families

### Children and Families Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£103.91m	£111.65m	<b>+£5.739m</b>	<b>-£0.084m</b>

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Corporate Parenting	£11,828k	<b>+£863k</b>	<b>-£108k</b>	Overspending on Home to school transport 279k Guardianship orders £295k, Leaving care financial support packages £170k, SGO/CAO £200k, 18+ Leaving care supported accommodation £560k due to acute shortage on suitable and available housing tenancy stock, less savings on Adoption allowances £216k.	<p>Financial policy under review regarding the financial support for care leavers. For 25/26 an additional £1.9m will be invested into the Corporate Parenting services.</p> <p>The SGO offer and budgets are aligned</p> <p>There is a proposal to support UASC when they turn 18 with council provided accommodation through the use of Market Street which will help to support this budget pressure. However, we are still obliged to financially support them until they have leave to remain. This will see a saving of 140K.</p>
SENDACT	£1,540k	<b>+£161k</b>	<b>-£30k</b>	Overspending of £161k mainly due to £89K cost of Early Support secondments, £50k unbudgeted compensation costs and £23K mediation costs also part of pressure. Position improved by £12K this month due to delayed RTF recruitments and 2 BSM posts on pause.	Securing a full staffing complement and improving initial EHCP timeliness. There will continue to be challenges regarding parental preference vs assessed need, hence the increase in tribunals. Full implementation of Liquid Logic Portals will increase efficiency.



# Directorate Budget Variances

## Children and Families

### Children & Families Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£105.91m	£111.65m	<b>+£5.739m</b>	<b>-£0.084m</b>

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Education Psychology	£1,159k	<b>+£281k</b>	<b>-£205k</b>	Continuing pressure re staffing costs to support demands of the service, high locum costs. Reduction since Q3 due to transfer from EYSEND and reduction in locums.	<p>Positive recruitment of Trainee roles and an increased opportunity to enable a traded offer is explored. Limited use of Locums is anticipated for the forthcoming year.</p> <p>Additional budget of £175K invested in 25/26 to clear backlog and then removed thereafter.</p>
Kirklees Business Solutions	£80k	<b>+£142k</b>	<b>-£4k</b>	Continuing year on year pressure re staffing	A revised approach to secure the operating costs for Kirklees Business Solutions is proposed which includes funding from the CSSB of the DSG
Strategic Learning	£457k	<b>+£107k</b>	<b>-£31k</b>	Budget pressure is a legacy from the loss of the SIMB and unfunded HoS posts, inroads to reduce overspend are ongoing and budgets in process of realignment to support overspend reduction work	Income generation, De-delegation and strategic partnerships will underpin a service redesign in Autumn 2025.



# Directorate Budget Variances

## Children and Families

### Children & Families Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£105.91m	£111.65m	<b>+£5.739m</b>	<b>-£0.084m</b>

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Commissioned Services	£2,323k	<b>+£427k</b>	<b>-£140k</b>	Increase to new 3-year priority led Home start contract (+£180k), Inter agency adoption fees outside of OAWY contract (+£129K), withdrawal of funding for Contract Manager post (+£52k), and increase in Young Carers contract (+£31k). Reduction of £94k this month mainly due to reduction in OAWY overspending (-£71k).	Priority led waiting list programme planned for one year only, funding now withdrawn.
Headteacher Support	-£10k	<b>+£66k</b>	<b>-£2k</b>	Uptake for traded Wellbeing offer has been limited – schools reporting budget pressures.	Review the service to schools as part of the Strategic Learning service redesign in Autumn 2025.



# Directorate Budget Variances

## Children and Families

### Children & Families Totals

Agreed 24/25 budget	Outturn	Total variance Outturn +/-	Change from Q3 +/-
£105.91m	£111.65m	+£5.739m	-£0.084m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Sustainability, Resources and Capacity	£31,240k	+£2,794k	+£858k	<p>Demand led Sufficiency net pressures relating to External Residential Placements £2,440k, (Note - £2.3m demand reserves added to budget in year), Family Assessments £559k, 16/17 LCSA £556k, YPAT £129k, partially reduced by underspending on Int/Ext Foster care (£646k), Connected Persons (£74k) and Internal Residential (£168k).</p> <p>Increase in forecast pressure from M11 mainly due to reduction in underspend on Internal Residential £112k linked to overspending on casual bank, overtime, agency cover, supplies and services less increase in overspend on External Foster Placements £51k</p> <p>Total Budgeted Placements 1,006 Active placements at 31/03/25 1,057</p> <p>Budgeted LAC in regulated and non-regulated placements – 594. Actual at 31/03/25 – 579</p> <p>Placement mix must be noted, External Residential Placements budgeted for 24 but there were 32 placements with average weekly cost of £6K+ with 8 placements costing £8K+</p>	<ul style="list-style-type: none"> <li>DCS charring external panel, all home's are signed off by SD who interrogates all other options including reunification , connected family members, internal foster carer and IFA's prior to any external residential request.</li> <li>Kirklees have a lower weekly average home costs of circa 6k a week lower than the regional average of around 8k a week. Solo homes are costing between 10-11k a week.</li> <li>Internal residential Homes are all now full one home is being refurbished which will offer a further 4 beds for our children and young people , and we are currently purchasing a smaller home to ensure we have provision for our children and young people who require a solo home.</li> <li>We currently have 35 Children and Young People in residential external placements which is relatively low compared to statistical neighbours, we have around 70% of our children and young people living in family-based settings and high number of SGO's where children and young people remain with their wider extended family.</li> <li>We have focused recruitment activity to increase our number of foster carers which is proving affect 13 new carer have been recruited since Feb24 and currently have 15 more in the assessment processes. We are also</li> </ul>

# Directorate Budget Variances

## Adults and Health

### Adults and Health Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£112.624m	£113.927m	+ £1.303m	- £1.482m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Customer Service Centres	£249k	+£198k	+£41k	Unplanned overspend due to service change timing (employees, incl security guards £184k and internal income £29k, offset by supplies and services, and transport ).	Service change now complete – at right level for 2025-26
Kirklees Direct/KD24 hrs	£2,309k	-£99k	-£28k	Underspend on staffing	
Registrars	£362k	-£153k	-£32k	Increased income through fees/charges, plus part year vacancies.	Ongoing actions being implemented in advance of 25-26 savings.
Library & Information Centres	£4,163k	-£578k	-£157k	Underspend mainly on staffing, and additional income.	
Community Languages	-£155k	+£134k	+£80k	Income shortfall - further work undertaken to appraise the shape and model of the service.	Ongoing work around model of service and charging mechanism.
Community Plus	£297k	-£599k	-£138k	Underspend mainly on staffing	
Integrated Wellness	£294k	-£349k	-£349k	Underspend mainly on staffing and operational costs.	
Improvement & Relationships	£503k	-£216k	-£58k	Underspend mainly on staffing	



# Directorate Budget Variances

## Adults and Health

Adults and Health Totals			
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£112.624m	£113.927m	+ £1.303m	- £1.482m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Care Phones and Assistive Technology	£223k	-£681k	+£111k	Ongoing management of operational provision (includes employee variance of -£148k, plus underspend on equipment of -£361k, and increased income of -£177k)	
Reablement	£634k	-£311k	+£263k	Increased operational cost (services, transport) offset by employee underspend of -£665k)	
Shared Lives	£2,397k	-£681k	-£149k	Lower than budgeted activity levels. Includes employee variance of £-66k	
Increase in bad debt provision	£196k	+£798k	-£2k	Increase in level and age of debt being seen – additional provision required.	
ASC – Employees (not including other specific lines quoted)	£38,851k	-£1,046k	+£259k	Ongoing management of staffing and budget levels. Note – excludes specific employee variances quoted above (total including them is variance of £-1,925k). Also includes some overspend lines that were covered by income/funding/grants.	
Self Directed Support	£26,518k	+£1,677k	-£2,430k	Overspend on Commissioned Services +£1,323k (LD +£3,380 (heavily over on unit cost) offset by OP (-£285k, under on unit cost and activity, and PD -£888k, under on unit cost). Direct Payments over by +£1,738k, (+£2,930 on LD (activity and cost), offset by OP (unit cost), PD (unit cost) and MH unit cost and volumes. All offset by increased income -£2,383k (PD, LD and MH).	Volumes/trends factored into budget for 25-26.



# Directorate Budget Variances

## Adults and Health

### Adults and Health Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£112.624m	£113.927m	+ £1.303m	- £1.482m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Supported Living (Extra Care Housing)	£1,437k	+£316k	+£115k	Overspend at Sandy Mount site (increased level of private sector provision on supported living and home care), offset by underspends at Woodland Court and Meadow Green on similar.	
Independent Sector Home Care	£22,320k	+£3,385k	+£174k	Mainly on OP +£2,154k, with PD at +£746k, and LD at +£538k. All client groups showing higher weekly unit costs (OP +£42, PD +£49, LD +£131, MH +£33) but OP, LD and MH are running slightly under on volume.	Volumes/trends factored into budget for 25-26, along with transformation/savings workstreams.
Independent Sector Residential & Nursing Placements	£73,873k	-£980k	+£386k	Client activity levels are under (placement volumes) mainly on OP (OP -114, PD +9, LD -14, MH -8). Unit (weekly) costs are heavily under on PD and over on others (PD -£50, OP +£27, LD +£110, MH +£3 per week).	Volumes/trends factored into budget for 25-26, along with transformation/savings workstreams.
Other demand led activity (In-House residential / In House Day Care, Carers, Persons From Abroad) – excluding employees (see line above)	-£5,820k	+£407k	-£226k	Increased Supplies and premises costs and shortfall on income in In-House Residential + overspend on Carers (increased volumes +17), offset by In house Day care (increased income) and PFA (reduced weekly unit costs -£262)	Volumes/trends factored into budget for 25-26, along with review of employee budgets/structures.



# Directorate Budget Variances

## Adults and Health

### Adults and Health Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£112.624m	£113.927m	+ £1.303m	- £1.482m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Commissioning / Contracted Services	£6,367k	-£437k	-£144k	Underspend on contracted services (LD and MH), and on employees (commissioning).	
Supporting People	£2,511k	-£116k	£0k	Underspend on vol sector provider costs (on Kirklees Intervention & Support Service)	
Release from demand reserve/funding	£0k	-£1,500k	£0k	Allocation of demand reserve/funding.	
Saving - ASC - Increasing the collection of social care income	-£2,627k	+£2,127k	-£180k	Ongoing work on the saving programme - review of practice and processes. Increased volume of income seen through ongoing change workstreams but full saving not viable.	Ongoing transformation work. Workstreams in 25-26 relating to debt recovery, bad debt provision, uplifts, and processes around income generation. Continued review into 25-26.



# Directorate Budget Variances

## Place

Place Totals			
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£56.672m	£62.996m	+£6.324m	- £2.162m

Service area	Net Budget	Variance Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Highways	£752k	+£915k	-£553k	<ul style="list-style-type: none"> <li>Overspend on horticultural maintenance of £213k</li> <li>Under-recovery of income on vacant capital posts</li> <li>£160k adverse on staff budget v actual cost in PROW</li> <li>£300k Street Lighting energy</li> </ul>	<ul style="list-style-type: none"> <li>Reduce service/intervention levels on works budgets</li> <li>Undertaking safety critical work only</li> <li>Some vacancies not being filled</li> <li>Recruitment freeze in Highways Operations</li> <li>Capitalise revenue budgets</li> <li>Draw down all available internal reserves</li> <li>Stop any revenue spend on service transformation</li> </ul>
Parking	-£5,468k	+£2,314k	+£123k	<p>Delays in implementation of new &amp; increased tariffs - £1.8m, New permit scheme £0.4m and lower fines income - £0.3m</p> <p>Offset by savings on staffing and misc income</p>	<p>New machines – Less downtime and additional enforcement staff..</p> <p>New charges now in place for 16 car parks, resident permit scheme live Feb, deep dive review of income streams ongoing to identify action plan for 25/26.</p> <p>Some additional budget gone in for 25/26 including £0.2m for FPN</p>
Adverse Weather	£1,036k	+£1,477k	-£27k	Savings have been made on costs, but cost from significant weather events are substantially higher than 24/25 budget	<ul style="list-style-type: none"> <li>Introduced a lower rate of spread option of 10gm/sqm = £20k saving</li> <li>Brought night patrols in house – previously delivered by contractors = £217k saving</li> <li>Reduced salt storage contingency capacity = £41k saving</li> <li>Reviewed requirements for Autumn gully blitz = £25k saving</li> </ul>



# Directorate Budget Variances

## Place

Place Totals			
Agreed 24/25 budget	Outturn	Total variance at outturn +/-	Change from Q3 +/-
£56.672m	£62.996m	+£6.324m	- £2.162m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Transport	£2,400k	+£573k	+£30k	Ageing fleet and increased part costs	Sourcing alternative and cheaper parts. Transport/Waste Oversight board. Investigation of ALL accident damage over £300 to reduce costs by 20% over previous years outturn. Pool fleet has been reduced by over 40 vehicles. Budget provision being made in 25/26 to reflect impact of ageing fleet until new fleet arrives
Waste Services	£28,846k	+£1,232k	-£345k	<p>Waste disposal contract +£0.6m which includes inflationary increase within the market sector for IPPC (Integrated Pollution Prevention and Control). pressure in 25/26 &amp; Environment Agency directive in 2023 resulted in a significant change to the disposal of soft furnishing containing Persistent Organic Pollutants.</p> <p>Waste fleet – £1.3m Growth within the service demands increased resources above based budget(historical) The service has completed round reviews, but additional vehicles are required. Staffing, including use of agency employees over spent by £0.4m across waste.</p> <p>These are offset by additional income and external charging across waste of (£0.8m) and underspends on supplies</p>	<p>Contractual and environmental compliance requirement Inflation and government driven (monitored closer for earlier warning) Simpler Recycling and legislation horizon scanning continues to identify any potential additional funding for the waste sector.</p> <p>Invest to save business cases have been developed and agreed at Cabinet in October. Capital strategy includes £26m of investment but lead in time on larger vehicles.</p> <p>The service has been working nationally to benchmark and mitigate the increased costs including increasing bulk collection charges which has reduced demand. The extension of the reuse shop has also been completed to remove soft furnishing before disposal</p>

# Directorate Budget Variances

## Place

### Place Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£56.672m	£62.996m	<b>+£6.324m</b>	<b>- £2.162m</b>

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Property	£8,608k	<b>+£933k</b>	-£863k	<p>Cleaning £0.5m, Security £0.2m, Holding Costs for Piazza £0.3m and former KSDL Wet Side £0.3m, unachieved income of £0.7m, Delivery of Saving £1.1m.</p> <p>These were offset by Flexible Use of Capital Receipts (£0.7m), underspend on Utilities( £1.2m) and £0.3m underspend on Staffing across Property</p>	<p>Use of flexible capital receipts transformational activities, essential only repairs, holding of vacancies.</p> <p>Charging for Agency Staff Implemented Close monitoring of cost for Piazza, handover to developers reduces some liability (residual NNDR) consideration to selective demolition if capital allows as vacancies</p> <p>Monthly auctions of surplus properties and land to reduce ongoing revenue commitments</p>
School Transport	£10,937k	<b>+£1,397k</b>	+£248k	Schools Transport - Overspend due to volumes and complexity requirements of routes and increasing prices.	<p>Transformation Programme is ongoing, 2025 activities are designed to disrupt the market, increase market participation and increase efficiency in routing – all designed to reduce the cost base. The forward look is increasing demand and complexity.</p> <p>£250k added to next year</p>



# Directorate Budget Variances

## Place

Place Totals			
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£56.672m	£62.996m	<b>+£6.324m</b>	<b>- £2.162m</b>

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Housing Services	£2,366k	-£838k	-£756k	Holding of vacancies (including not back-filling acting up opportunities), increased recharging to capital and maximising use of external grant	
Housing Growth	£994k	-£216k	-£76k	Holding of Vacancies	
Directorate Programme Office	£700k	-£397k	-£120k	Holding of Vacancies	Vacancies are being held pending wider council review of support services/business support
Major Projects	-£610k	-£272k	-£115k	Major Projects - Charging to capital projects.	
Planning & Building Control	£2,291k	-£360k	-£263k	Planning & Building Control –income shortfall (£569k) offset by Holding of vacancies (£880k) other savings.	
Employment & Skills	-£82k	-£263k	-£62k	Recognition of external funding	
Business & Economy	£179k	-£106k	-£31k	Underspend on Utilities in enterprise centres	
Parks & Greenspaces	£2,894k	-£51k	-£298k	Overspends on Grounds Maintenance, offset by savings across the rest of Parks and Woodlands	Staff have been issued with the 118 notices. Deployment and alternative roles are being used to mitigation redundancy costs – FTE service reduction of 34 to give a FY effect of £1.3m savings



# Directorate Budget Variances

## Public Health and Corporate Resources

### Public Health and Corporate Resources Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£56.576m	£56.725m	+£0.149m	-£1.453m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Culture & Visitor Economy	-£3k	+£75k	+£8k	<b>Cliffe House/Dram Ctr</b> - Reflects a recurring budget pressure relating to income levels not covering cost of running the service. Lettings income substantially reduced.	Remodelling of the operating model underway. Due to salary frameworks, full realisation 26/27.
	£1,481k	-£1,034k	-£535k	<b>Caretaking &amp; Cleaning</b> – Increased income helped by price increase applied for 24-25 to aid cost recovery -£537k, and vacancies -£529k.	
	£1,210	-£1,064k	-£711k	<b>Catering</b> – Meal Price increase from Sept 24 + new Academy Trust contracts increased income -£269k, and vacancies -£668k.	
	£594k	-£329k	-£133k	<b>Town &amp; Public Halls</b> - Ongoing review of service, underspend mainly on staffing, and increased bar sales and events income.	
	£606k	-£546k	+£19k	<b>Markets</b> – Dewsbury Market Rates revaluation -£465k, and increased income.	
	£0k	+£43k	+£13k	<b>Arts, Museums and Bereavement Services</b> – Vacancies -£205k and reduced income +£90k. Increased grounds maintenance, and cost of vaults in cemeteries +£145k.	

# Directorate Budget Variances

## Public Health and Corporate Resources

### Public Health and Corporate Resources Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£56.576m	£56.725m	+£0.149m	-£1.453m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Strategy and Innovation	£18,400k	-£1,355k	-£523k	Vacancies held across all services - £990k, and IT savings implemented in 23/24 have continued into 24/25 for a FYE. Data and Insight school income target (£100k) has been offset by vacancies.	Only critical roles have been filled
Public Health & People services	£7,849k	-£1,030k	-£518k	Vacancies -£246k have been held where possible across Peoples service, and some additional income -£263k. An underspend on KAL utility costs -£271k.	Only critical roles have been filled Savings target of £1.3m Public Health funding applied to relevant KC services.
Governance and Commissioning	£14,516k	+£91k	+£284k	Vacancies held where possible to achieve savings targets -£258k, and reduction in cost of councillor allowances. Demand pressure on legal services +£721k incurring external solicitor costs and additional locums. One off Insurance saving -£331k.	Only critical roles have been filled



# Directorate Budget Variances

## Public Health and Corporate Resources

### Public Health and Corporate Resources Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£56.576m	£56.725m	+£0.149m	-£1.453m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Financial Management & Welfare & Exchequer	£9,304k	+£315k	+£57k	Court cost income +£452k and increased cost of debt tracing services offset by vacancies.	Vacancies have been held where possible to mitigate other overspends
Housing Benefits	£2,619k	+£4,982k	+£582k	Continued pressure of homelessness, including temporary accommodation pressures and use of bed and breakfast as cannot claim full subsidy.	A homelessness board is working through various projects to try and reduce the cost. Additional budget provision of £3.6m made in 2025/26



# Directorate Budget Variances

## Central

Central			
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
£34.010m	£22.834m	-£7.959m	-£2.254m

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Treasury Management	£27,961k	-£772k	+£732k	Reduction in capital plan spend, and interest rates on borrowing to date lower than the 5.35% budgeted. KSDL provision of £1.3m charged to treasury as MRP. £0.2m interest on balances to HRA higher than expected.	
Inflation	£5,307k	-£5,252k	-£1,984k	Release of inflation budget no longer required following pay agreement and final energy costs; £3.8m, plus other contingency not needed; £1.5m.	
Contingencies	-£17,747k	-£1,703k	-£700k	Redistributed business rates levy surplus income from government announced in the provisional finance settlement; £0.7m, plus other contingencies not needed; £1.0m.	
Joint Committees	£13,564k	-£315k	-£241k	Underspend on Coroners.	
Corporate Management	£1,171k	+£128k	-£6k	Increase costs for valuations. Overspend on bank charges.	



# Analysis of Council Reserves (excl Statutory Reserves)

	Unallocated *	Earmarked	Total
	£000	£000	£000
<b>At 1<sup>st</sup> April 2024</b>	<b>(25,046)</b>	<b>(36,192)</b>	<b>(61,238)</b>
<b><i>Planned Drawdowns from Earmarked Reserves</i></b>			
WYCA Returned Levy – 2024/25 MTFP support	-	9,400	9,400
Budgeted drawdown for Collection Fund deficit	-	2,000	2,000
- Budgeted drawdown from Insurance Reserve		1,500	1,500
<b><i>Planned Contributions to Earmarked Reserves</i></b>			
Transfer into Voluntary Revenue Provision reserve	-	(15,195)	(15,195)
	<b>(25,046)</b>	<b>(38,487)</b>	<b>(63,533)</b>
<b><i>In Year Adjustments – Outturn</i></b>			
- Contribution to Earmarked Reserves (net)	-	(3,075)	(3,075)
- Use of Voluntary Revenue Provision reserve	-	8,691	8,691
- Transfer into Strategic Budget Contingency Reserve	-	(3,135)	(3,135)
<b>Balance of Reserves at 31<sup>st</sup> March 2025</b>	<b>(25,046)</b>	<b>(36,006)</b>	<b>(61,052)</b>

\*£16m Minimum Working Balance (£29m desirable).



Reserves Summary Outturn (£k)	Reserves 31st March 2024	Budget report Movements	Revised reserves 1st April 2024	Net Drawdowns at Outturn	Reserves 31st March 2025
Ward Based Activity	(693)	-	(693)	115	(578)
Place Standard	(556)	-	(556)	154	(402)
Transformation	(3,067)	-	(3,067)	1,587	(1,480)
Demand Reserve	(3,000)	-	(3,000)	3,000	-
Development Funding	(621)	-	(621)	(293)	(914)
Revenue Grants	(9,020)	-	(9,020)	(8,978)	(17,998)
Stronger Families Grant	(784)	-	(784)	96	(688)
Other	(5,527)	-	(5,527)	1,585	(3,942)
Specific Risk Reserves	(3,500)	3,500	-	-	-
WYCA Returned Levy	(9,424)	9,400	(24)	24	-
Voluntary Revenue Provision	-	(15,195)	(15,195)	8,691	(6,504)
Strategic Budget Contingency Reserve	-	-	-	(3,500)	(3,500)
<b>Total Earmarked Reserves</b>	<b>(36,192)</b>	<b>(2,295)</b>	<b>(38,487)</b>	<b>2,481</b>	<b>(36,006)</b>
Unallocated Balances	<b>(25,046)</b>	-	<b>(25,046)</b>	-	<b>(25,046)</b>
<b>Total Useable Reserves</b>	<b>(61,238)</b>	<b>(2,295)</b>	<b>(63,533)</b>	<b>2,481</b>	<b>(61,052)</b>
Statutory Reserves – Schools Balances	(11,596)	-	(11,596)	477	(11,119)
Statutory Reserves – Public Health	(1,119)	-	(1,119)	223	(896)
<b>Grand Total All Reserves</b>	<b>(73,953)</b>	<b>(2,295)</b>	<b>(76,248)</b>	<b>3,181</b>	<b>(73,067)</b>



# Glossary of Reserves

Reserve	Description
<b>Ward Based Activity</b>	Set aside reflecting timing issues on ward-based activity spend commitments
<b>Place Standard</b>	Set aside to support the resourcing of emerging Place Standard action plans.
<b>Apprenticeship Levy</b>	Set aside to fund future payments into the Apprenticeship levy
<b>Transformation</b>	Set aside for strategic transformation developments over the next 12 to 24 months.
<b>Demand Reserve</b>	Set aside to mitigate the impact/volatility of a range of potential demand risks on statutorily provided service activity
<b>Development Funding</b>	To address the scale of development costs required to support targeted development and the upscaling of capital investment activity and major project activity over the MTFP.
<b>Revenue Grants</b>	Represents grants and contributions recognised in the Comprehensive Income and Expenditure Statement before expenditure has been incurred.
<b>Stronger Families</b>	Set aside reflecting timing issues on expenditure commitments supporting a range of Stronger Families activity, funded from external grant.
<b>Other</b>	A range of smaller reserves earmarked for specific purposes.
<b>Specific Risk Reserves</b>	Set aside to manage specific risks, including the potential risk of future loan defaults and managing the volatility surrounding treasury management budgets with respect to both potential changes in interest rates and the level of delivery of the capital plan.
<b>WYCA Returned Levy</b>	Returned levy income from WYCA that will be drawn down in 2024/25
<b>Voluntary Revenue Provision</b>	Voluntary overpayments of Minimum Revenue Provision (MRP).
<b>Strategic Budget Contingency</b>	To fund budget pressures that may arise due to delays in implementing savings plans and/or issues that have arisen post the agreement of the budget
<b>Unallocated Reserves</b>	General reserve to support Council working capital and cashflow requirements, and unbudgeted/financial resilience risks highlighted in the Council's corporate risk register.
<b>Schools Balances</b>	Statutory reserves relating to individual schools' balances/deficits carried forwards
<b>Public Health</b>	Timing issues on (statutorily ringfenced) Public Health grant spend commitments

# HRA Outturn

	Revised Budget	Outturn	Variance Outturn	Variance Q3	Change from Q3
	£000	£000	£000	£000	£000
Repairs & Maintenance	30,909	29,820	(1,089)	(400)	(689)
Housing Management	46,337	43,339	(2,998)	(2,507)	(491)
Property Services	0	(478)	(478)	0	(478)
Other Expenditure	31,015	34,283	3,268	4,065	(797)
<b>Total Expenditure</b>	<b>108,261</b>	<b>106,964</b>	<b>(1,297)</b>	<b>1,158</b>	<b>(2,455)</b>
Rent & Other Income	(108,261)	(108,306)	(45)	725	(770)
<b>Total</b>	<b>0</b>	<b>(1,342)</b>	<b>(1,342)</b>	<b>1,883</b>	<b>(3,225)</b>
Revenue contribution to Capital Funding	0	4,637	4,637	0	4,637
Planned transfer from HRA Reserves	0	(3,295)	(3,295)	(1,883)	(1,412)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



# HRA Reserves

	Balance at 31 March 2024 £000	Approved Movement in reserves £000	Balance at 31 March 2025 £000
Set aside for business risks	(15,000)	4,135	<b>(10,865)</b>
Repairs reserve	0	(1,000)	<b>(1,000)</b>
Set aside to meet investment needs (as per HRA business plan)	(18,942)	160	<b>(18,782)</b>
<b>Total</b>	<b>(33,942)</b>	<b>3,295</b>	<b>(30,647)</b>



# HRA Budget Variances

## HRA Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
-	-	-	-

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Repairs and Maintenance	£30,909k	-£1,089k	-£689k	<b>Responsive planned works underspend of --£983k</b> , which includes Cyclical of -£161k and building safety -£722k (Stock condition £1m pushed back to 25/26 but water quality checks done) <u>-£163k movement</u> from M11. <b>Unplanned responsive -£167k</b> , Repairs underspend of -£263k, <u>(-£57k movement)</u> fire suites and radiators. Damp Mould and Condensation forecast overspend of +£239k, <u>movement of +£108k</u> reallocation of works. Safety, security, disrepair and garages -£143k, <u>movement of -£25k</u> . <b>Empty Homes +£1,083k</b> <u>movement of +£267k</u> addressing backlog. <b>Unplanned other -£1.02m</b> , dec vouchers -£708k, other environmental and recharges -£313k, <u>movement +£7k</u>	Capitalisation of staff costs for the Development and Asset team. Savings identified from revised lettings policy for decoration £708k. Staff dealing with damp and mould have been co-located, which should improve processes and achieve efficiencies.
Management costs – Homes and Neighbourhoods	£19,883k	-£3,859k	-£878k	The underspend is made up of -£1.8m staff underspends, -£1.8m staff capitalisation netted off by agency costs of £927k. Savings/underspend of -£678k from recharges, training and tenant engagement. Surplus of -£478k from Property Services.	

# HRA Budget Variances

HRA Totals			
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
-	-	-	-

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Legal Services	£1,000k	+£980k	+£163k	Legal variance of £980k, legal costs for disrepair £1.7m	For 2025-26 a provision of £2.2m has been set up for estimated costs for outstanding disrepair claims to date
Other Council Services	£6,958k	-£79K	-£50k	Internal recharges for corporate services	
Policy and Management	£14,297k	+£162k	-£24k	Temp Accom repairs overspend of +£246k, Shops/land +£82k, netted off by reduction in HSG PFI costs £126k, with other minor variances.	Review of charging repairs for temporary accommodation to be carried out



# HRA Budget Variances

HRA Totals			
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
-	-	-	-

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Community facilities	£4,200k	-£680	-£180k	Budgets set at a level to cover expected costs. Sheltered Heating, District heating, Income will be charged to cover these costs. Current forecast shortfall for all community facilities is £3.4m	A review of service charges has been carried out there is a planned approach to move to a full cost recovery position. Work carried out will inform future budget setting.
Council tax on empty properties	£529k	+£644k	-£45k	Increased Council tax relating to empty properties, some where the decision has been made to demolish properties.	A review of the policy and operating model for the future management of voids is being implemented within Property Services (end to end management) and, to ensure unnecessary costs are not charged. This also includes alignment of homes subject to approved demolition projects.
Interest Payable, other finance costs and depreciation charges.	£30,485	+£7,261k	+£3,885k	Depreciation charge due to revised Asset Strategy. £3.4m. RCCO of £4.6m towards capital plan (Budgeted year end adjustment)	Increased depreciation cost has been covered by underspends and a transfer from reserves has been made to cover the contribution to capital. Future RCCO's will be shown with match transfer from reserves.
Transfer from Reserves	-	-£3,295k	-£1,412k	This is to fund the £4.6m contribution to capital (£4.6m less the underspend of £1.3m)	



# HRA Budget Variances

HRA Totals			
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-	Change from Q3 +/-
-	-	-	-

Service area	Net Budget	Variance at Outturn	+/- change from Q3	Reason for variance	Mitigating actions
Grants and other income	£8,957k	-£1,099k	-£758k	£1.4m received for interest on balances, originally budgeted at £300k	
Rental Income	£96,084k	+£1,119k	+£75k	Void rent loss through empty properties.	Updated process in place to better manage turnaround times and tracking of standard, non-standard and voids requiring major works. A review of the performance measured by each category will be included going forward, priority is to ensure standard voids are fast-tracked to reduce rent loss with planned programmes for addressing voids that require substantial works.
Heating and Service Charge Income	£3,220k	-£65k	-£87k	Amounts currently charged do not cover the costs. The shortfall for district heating is £497k, District heating meters have been amended from 1 <sup>st</sup> January 2025. Planned service charge increases are planned from 1 <sup>st</sup> April 2025.	Review of service charges has been carried out, planned approach to move to a full cost recovery position reviewing all service charges over three years. District heat charges will be increased in 2025-26. Current estimated shortfall for service charges is £3.4m, planned recovery of £1.9m in 2025-26 including recovery of grounds maintenance charges..

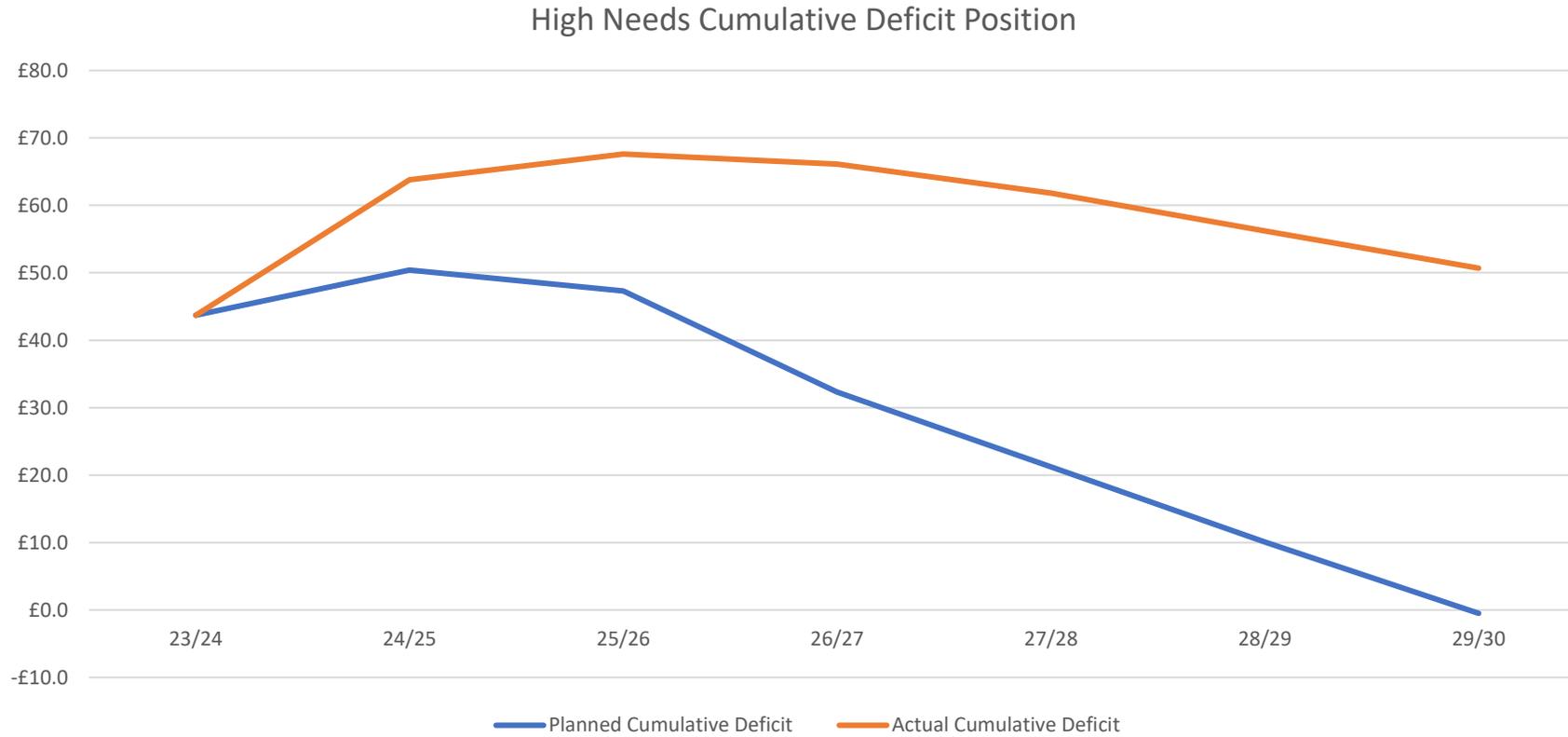


# DSG Headlines

- Outturn Monitoring Position
- HN Budget - £64.7m (includes SV Funding & Block Transfer) 23/24 (£60.4m)
- HN Expenditure £84.7m (23/24 - £75.4m) In year overspend - £20.1m (23/24 – £15m)
- Cumulative deficit - £63.8m
- Safety Valve Impact
  - Slippage against planned in year overspend position - £13.4m



# DSG Cumulative Deficit Position



# DSG Dashboard

	Active Placements	M12 (£'000)	M11 (£'000)
Mainstream Top-Ups	1918	£20,374	£20,410
Special School Top-Ups	872	£19,277	£19,086
Special School Place Funding		£6,947	£6,947
Additional Resource Provisions (including Central Staff)	181	£7,383	£7,754
Alternative Provision		£6,159	£6,424
Independent Placements	200	£12,064	£12,150
OLA Placements	42	£485	£697
Post 16	628	£5,100	£5,300
SENDIF		£1,000	£1,000
Personal Budgets		£3,148	£2,800
Contributions to Services		£2,747	£3,154
	<b>3841</b>	<b>£84,684</b>	<b>£85,722</b>
HN Block		-£59,194	-£59,194
Block Transfers		-£3,100	-£3,100
Safety Valve Income		-£2,300	-£2,300
Projected Overspend		<b>£20,090</b>	<b>£21,128</b>



# Collection Fund

## • Council Tax

- In year financial performance – net £2.1m deficit
- Kirklees Share 85% - net £1.8m deficit (0.8% of budgeted income)
- Largely due to:
  - £0.6m additional income – including CTR Reduction Scheme £0.5m less than budget
  - £2.8m increased bad debt provision requirement due to growth in arrears

## • Business Rates

- In year financial performance – net 6.8m deficit
- Kirklees Share 49% - net £3.3m deficit (6.7% of budgeted income)
- Largely due to:
  - £8.4m income shortfall – mainly £6.6m prior year reductions (in excess of appeals provision set aside), £1.2m reliefs over and above budgeted amounts
  - £1.8m bad debt provision requirement lower than budgeted



# Collection Fund (Council Share)

- Charges from Collection Fund to the General Fund each year are based on estimates.
- Actual income collected will vary, and these timing differences result in actual surpluses or deficits which are rolled forwards year on year through the Collection Fund and 'settled' over following years through relevant payment adjustments to the General Fund.
- The approved 2025-28 Medium Term Financial Plan (MTFP) included a repayment of £5.8m from the General Fund to the Collection Fund, based on the estimated Collection Fund performance in 2024/25.
- The net effect of the above still leaves a residual Collection Fund deficit of £4.4m (illustrated in the following summary table) which will need addressing in the upcoming MTFP.



# Collection Fund (Council Share)

Outturn Position	Council Tax £k	Business Rates £k	Total £k
(Surplus)/Deficit at 1 April 2024	5,361	2,635	7,996
Re-payments to/(from) General Fund 2024/25	(2,340)	(660)	(3,000)
In-year Financial Performance	1,827	3,332	5,159
<b>(Surplus)/Deficit at 31 March 2025</b>	<b>4,848</b>	<b>5,307</b>	<b>10,155</b>
Planned repayments from General Fund 2025-28	(3,021)	(2,765)	(5,786)
<b>Adjusted (Surplus)/Deficit</b>	<b>1,827</b>	<b>2,542</b>	<b>4,369</b>



# Capital Headlines

- Capital Outturn **£140.6m** against Revised Budget of **£153.2m**, variance of **(£12.6m)**
- 2023/24 Outturn spend was **£148.3m**
- £140.6m actual spend; £69.2m relates to strategic priorities schemes, £64.9m baseline capital spend, £6.5m projects of a one-off nature.
- Revised Budget decrease of -£16m since Quarter 3 Corporate Financial Monitoring Report on 11 March 2025 (£169.2m) due to application of the FPR flexibility in-year ; re-profiling into latter years of the plan (-£17.8m) offset by increased grants and contributions (+£2.2m), and removal of KAL self-financing budget (-£0.4m). (Appendix 3)

# 2024/25 Capital Outturn

EXPENDITURE CAPITAL PLAN	Original Budget	Revised Budget	Outturn	Variance	Variance
	£'000	£'000	£'000	£'000	%
Children and Families	26,431	12,846	8,832	(4,014)	(31%)
Adults & Health	8,260	5,466	3,180	(2,286)	(42%)
Place	230,427	91,661	85,971	(5,690)	(6%)
Public Health & Corporate Resources	12,154	6,113	7,658	1,545	25%
<b>General Fund</b>	<b>277,272</b>	<b>116,086</b>	<b>105,641</b>	<b>(10,445)</b>	<b>(9%)</b>
<b>Housing Revenue Account</b>	<b>63,491</b>	<b>37,124</b>	<b>34,962</b>	<b>(2,162)</b>	<b>(6%)</b>
<b>COUNCIL TOTAL</b>	<b>340,763</b>	<b>153,210</b>	<b>140,603</b>	<b>(12,607)</b>	<b>(8%)</b>



# Directorate Capital Budget Variances

## Children and Families - Learning & Early Support

Children and Families Totals		
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-
£12.8m	£8.8m	- £4.0m

Capital Scheme	Outturn Variance	Reason for Variance
<b>Strategic Priorities</b>		
New Pupil Places in Primary/Secondary Schools	<b>-£485k</b>	Majority of the underspend is due to the outstanding final account for King James's and minor programme slippage on NHTS and Thornhill Academy. Underspends in funding on Strategic Priorities schemes will be required to rollover into the next financial year to enable the rolling programme on schools to be delivered as part of the Schools Investment Needs Strategy.
District Sufficiency – SEND	<b>-£2,339k</b>	Delays caused by external parties with the PPP Exit payment on the former Almondbury High School site attributed to this years underspend.
<b>Baseline</b>		
Capital Maintenance	<b>-£677k</b>	Disputes in final accounts, holding retention payments on contracts and delays in tendering some schemes caused an underspend on budget this financial year. Staff resourcing issues within Capital Delivery has caused delays in auditing final accounts and tendering of some schemes resulting in an underspend on budget this financial year.



# Directorate Capital Budget Variances

## Children and Families - Resources, Improvement and Partnerships

Children and Families Totals		
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-
£12.8m	£8.8m	- £4.0m

Capital Scheme	Outturn Variance	Reason for Variance
<b>Strategic Priorities</b>		
Homes for Children	<b>-£313k</b>	Underspend on budget due to the Children's Home purchase not completing before the end of the financial year as expected.



# Directorate Capital Budget Variances

## Adults, Housing & Health

### Adults, Housing & Health Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-
£5.5m	£3.2m	- £2.3m

Capital Scheme	Outturn Variance	Reason for Variance
<b>Strategic Priorities</b>		
Complex Needs (North), and Challenging B	<b>-£426k</b>	Awaiting Adults SCLT decision re progression of scheme - will seek Corp Capital Board approval to a sum being allocated to support Mill Dale / Crescent Dale (damage to site)
Knowl Park House	<b>-£592k</b>	Delays to completion. Final cost of project still to be determined and current position with Legal.
Milldale/Crescent Dale	<b>-£358k</b>	Delays to project
<b>One Off Project</b>		
Carefirst System Replacement	<b>-£235k</b>	System costs not invoiced yet and implementation - training still ingoing
Carephones Digital Switchover	<b>-£351k</b>	Project now complete.



# Directorate Capital Budget Variances

## Place – Skills & Regeneration

Place Totals		
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-
£91.7m	£86.0m	- £5.7m

Capital Scheme	Outturn Variance	Reason for Variance
<b>Strategic Priorities</b>		
Integrated Transport & Active Travel	<b>-£633k</b>	Capital grant funded so all remaining funds rollover. Integrated Transport -£434k, scheme slippage around Bus Hotspots and Air Quality schemes funded by LTP legacy Integrated Transport schemes still to be identified. Mobility, Walking And Cycling -£198k, Meltham Greenway Phase 3 delayed due to land purchases and feasibility design works continuing.
Transforming Cities Fund (TCF)	<b>-£363k</b>	Overall programme scheme slipped into 2025/26 for Final Business Case (FBC) approval by West Yorkshire Combined Authority (WYCA) and procurement and delivery construction start dates.
West Yorkshire plus Transport Schemes	<b>-£137k</b>	Underspend of -£600k on Corridor Improvement Programme Kirklees Huddersfield South whereby Network Rail served legal notices to take possession of the Longroyd site and prevent Kirklees using it, resulting in the underspend on site works. Offset by overspend on +£442k Huddersfield South Gateways A616 Lockwood Further to the delays on Corridor Improvement Programme Kirklees Huddersfield South, the Contractor was redeployed to the Lockwood Bar site, albeit with some delay
Strategic Drainage	<b>-£177k</b>	Ongoing matched borrowing against Environment Agency grant / S106 contributions. - £74k Flood Management in holding code of which £56k is S106 funded. -£52k underspend on Local Levy Studies which is all EA funded



# Directorate Capital Budget Variances

## Place - Development

Place Totals		
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-
£91.7m	£86.0m	- £5.7m

Capital Scheme	Outturn Variance	Reason for Variance
<b>Strategic Priorities</b>		
Huddersfield Town Centre Action Plan	<b>-£153k</b>	-£168k George Hotel, ongoing for PCSA and asbestos removal works
Regeneration of Our Local Centres	<b>-£337k</b>	-£289k Marsden New Mills Redevelopment, funded by LUF grant for development and delivery. Invoices of c.£205k currently being processed, needs to be rolled over.
Cultural Heart	<b>-£1,094k</b>	Shortfall due to BAM costs behind projected cash flow of Turner and Townsend for year-end spend in 2024/25 on Phase 1
<b>Baseline</b>		
Property	<b>-£330k</b>	Corporate Landlord Asset Investment (-£236k) Staff resource issues within Capital Delivery has caused delays in auditing final accounts and there has been some programme slippage on a Upperhead Row Multi-Storey Car Park works resulting in an underspend on budget this financial year.



# Directorate Capital Budget Variances

## Place – Highways and Streetscene

Place Totals		
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-
£91.7m	£86.0m	- £5.7m

Capital Scheme	Outturn Variance	Reason for Variance
<b>Baseline</b>		
Highways	<b>-£1,196k</b>	Asset Management +£632k relating to Structures, Street Lighting and Local Community Roads for accelerated year 3 spend on CRSTS Asset Management. Integrated Transport -£1,828k relating to Network Management (slippage Green Light Fund grant), Safer Roads (accelerated years 3 spend on CRSTS Safer Roads), S106 / S278 developer schemes (not re-profiled) and delayed spend on Digital CCTV updates.
Play Strategy	<b>-£139k</b>	All funding is committed for outstanding retention, ongoing works, or works that have slipped due to capacity constraints, environmental factors and external challenges. All underspent projects have completed/ authorised Capital Outlay Reports (COR's) . The majority of projects have progressed as profiled with 24 sites completed, 17 sites in design & 15 on-going live sites/ projects.
Waste Management Plant/Infrastructure	<b>-£193k</b>	-£100k EfW Heaters Upgrade, Timing linked to EfW Capital investment in the Deed of Variation 1 and the new Deed of Variation 2, which was delayed and requires timing to the EfW shutdown windows. Contractual commitment still required. -£93k Waste Strategy Depot, Delay caused by change of direction from Government on Simpler Recycling and taking into account the impact of this on Kirklees and direction of travel. Depot work is still critical and will be required in 25/26.



# Directorate Capital Budget Variances

## Place - Environmental Strategy & Climate Change

Place Totals		
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-
£91.7m	£86.0m	- £5.7m

Capital Scheme	Outturn Variance	Reason for Variance
<b>Strategic Priorities</b>		
Huddersfield Heat Network	-£285k	Project delays therefore spend will now be in 2025/6
<b>One Off Projects</b>		
Electric Vehicle Rapid Charging Points	-£273k	Challenges with supplier - project still ongoing



# Directorate Capital Budget Variances

## Corporate Strategy, Commissioning & Public Health

### Corporate Strategy, Commissioning & Public Health Totals

Agreed 24/25 budget	Outturn	Total variance at Outturn +/-
£6.1m	£7.6m	<b>+£1.5m</b>

Capital Scheme	Outturn Variance	Reason for Variance
<b>One Off Projects</b>		
Transformation Capitalisation - Flexible Capital Receipts Strategy	<b>+£1,516k</b>	Transformation Costs funded via capital receipts as part of the approved £4m Flexible Capital Receipts Strategy. Increase in costs funded by increased in-year capital receipts received by year end. Overspend will not be carried forward into the next financial year. Following financial year target to be increased to reflect higher anticipated spend based on 2024/25 outcome to be funded higher anticipated capital receipts



# Directorate Capital Budget Variances

## Housing Revenue Account

Housing Revenue Account Totals		
Agreed 24/25 budget	Outturn	Total variance at Outturn +/-
£37.1m	£34.2m	- £2.2m

Service Area	Outturn Variance	Reason for Variance
<b>Strategic Priorities</b>		
LAHF - Refugee Housing	-£349k	Underspend due to delays in completions of purchase of properties
Harold Wilson	-£188k	Slippage
Berry Brow Remodelling	+£140k	Due to increased activity of appointed consultant ahead of decommissioning and demolition
<b>Baseline</b>		
Housing Capital Plan	-£750k	Variances due to a combination of procurement and resourcing issues
Compliance	-£169k	Variance due to delays with procurement
Fuel Poverty	-£363k	Underspend due to works put on hold due to weather constraints and staff resource issues
Adaptations	+£267k	Overspend due to clearing backlog of works - to be taken from next years budget
Retirement Living Schemes	-£300k	Delays due to procurement taking longer than expected. Total programme budget agreed at Cabinet



# Flexible Capital Receipts

Service area	Amount funded by FCR 24/25	Project outline
Place Corporate Landlord – review of Council owned assets	£844k	This programme is to enable the council to review its asset holdings to ensure assets that no longer meet business operational needs can be repurposed, so the council is able to benefit from lower cost or higher rental income. Where this is not feasible the asset will be disposed of to generate a useable capital receipt for financing future investment and/or reducing debt.
Place Resources and Waste Strategy - staff costs	£119k	Development of the Council's Waste Strategy transformation agenda over the medium term.
Place Temporary Accommodation Need	£148k	This programme aims to reduce the costs of providing temporary accommodation to those with immediate housing needs by creating new temporary accommodation and making use of existing properties, including council housing.
Place Capital Projects	£128k	Planning Service support in delivery of major capital projects
Corporate Transformation Team	£1,137k	Funding for Transformation team, providing council wide support in the delivery of service transformation and financial savings aligned to existing improvement programmes and the delivery of service reviews.
Corporate Support to all improvement programmes	£203k	A range of corporate services including Finance, Legal, Procurement, Technology and People Services are required to assist in the delivery of the Council's improvement programmes. This funding enables dedicated support to be accessed for all programmes.
Central, NDC Capitalisation - pension costs	£973k	Cost of statutory redundancy and pension strain payments incurred in restructuring Council services to deliver savings required by the Council's Medium Term Financial Plan.
<b>Total</b>	<b>£5,515k</b>	



# Capital Plan Position at Outturn (prior to rollover and refresh)

	2024/25 £'000	Capital Plan at Outturn					2029/30 - 31/32 £'000	Total £'000
		2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 - 31/32 £'000		
Quarter 3 Budget Plan	169,230	400,050	278,153	168,388	153,351	252,460	1,252,402	
Conservative Amendment	0	250	1,500	(1,753)	(4,253)	(16,353)	(20,609)	
Revised Q3 Capital Plan	169,230	400,300	279,653	166,635	149,098	236,107	1,231,793	
Change - Re-profile from 2024/25	(17,815)	11,382	4,740	1,678	15	0	17,815	
Change – net additions/removal	1,795	1,426	20	0	0	0	1,446	
Revised Capital Plan (Outturn)	153,210	413,108	284,413	168,313	149,113	236,107	1,251,054	



# Refreshed Capital Plan 2025/26-2031/32

The capital plan is updated to take account capital slippage totalling £13.7m from 2024/25, rephasing, new planned investment and changes in the estimated levels of resources available (See Appendix 3a) and 3b) for further detail)

EXPENDITURE CAPITAL PLAN	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 - 31/32 £'000	Total £'000
Children & Families	25,726	29,573	21,610	3,827	2,750	83,486
Adults & Health	4,223	8,424	3,031	0	0	15,678
Place	204,202	215,355	121,831	77,907	144,196	763,491
Public Health & Corporate Resources	18,848	11,806	11,636	11,516	11,100	64,906
<b>GENERAL FUND</b>	252,999	265,158	158,108	93,250	158,046	927,561
<b>HOUSING REVENUE ACCOUNT</b>	47,363	63,208	70,589	54,502	109,552	345,214
<b>COUNCIL TOTAL</b>	<b>300,362</b>	<b>328,366</b>	<b>228,697</b>	<b>147,752</b>	<b>267,598</b>	<b>1,272,775</b>



# Updated Capital Plan – Net Change in Funding (outturn vs revised)

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 - 2031/32 £'000	Total £'000
<b>Outturn Budget Plan</b>	<b>413,108</b>	<b>284,413</b>	<b>168,313</b>	<b>149,113</b>	<b>236,107</b>	<b>1,251,054</b>
<b>General Fund Changes:</b>						
Re-profiling (Borrowing)	(17,343)	(15,239)	30,457	(1,410)	3,535	0
Re-profiling (Grant/S106/Contrib)	(101,338)	63,766	18,975	(2,399)	20,996	0
Addition (Grant/S106/Contrib)	(2,133)	80	6,170	0	3,721	7,838
Addition (Capital Receipts)	2,000	0	0	0	0	2,000
Rollover	11,555	0	0	0	0	11,555
<b>General Fund Changes</b>	<b>(107,259)</b>	<b>48,607</b>	<b>55,602</b>	<b>(3,809)</b>	<b>28,252</b>	<b>21,393</b>
<b>HRA Changes:</b>						
Borrowing	(9,651)	(1,209)	2,679	2,089	4,060	(2,032)
Grant/Contrib	1,030	(3,008)	1,602	1,315	0	939
Receipts	(2,224)	508	(499)	(956)	(821)	(3,992)
Reserves/MRR	3,196	(945)	1,000	0	0	3,251
Rollover	2,162	0	0	0	0	2,162
<b>HRA Changes:</b>	<b>(5,487)</b>	<b>(4,654)</b>	<b>4,782</b>	<b>2,448</b>	<b>3,239</b>	<b>328</b>
<b>Total Change</b>	<b>(112,746)</b>	<b>43,953</b>	<b>60,384</b>	<b>-1,361</b>	<b>31,491</b>	<b>21,721</b>
<b>Revised Capital Plan</b>	<b>300,362</b>	<b>328,366</b>	<b>228,697</b>	<b>147,752</b>	<b>267,598</b>	<b>1,272,775</b>

# Updated Capital Plan - Housing Revenue Account

The Housing Revenue Account (HRA) multi-year capital plan stands at £345.2m, split £92m strategic priorities and £253.2m baseline allocations. The main elements of the multi-year HRA capital plan are:

	£'m	
High Rise	46.9	Berry Brow Remodelling, Harold Wilson Court and Buxton House
Additional Council Houses	40.6	Council Housing and Housing Growth - To help address growing demand for Affordable Housing
Housing Capital Plan	173.1	Includes Estate Improvements (£7.7m), Fuel Poverty (£11.3m) and Adaptations (£9.5m) to give disabled people better freedom of movement into and around their homes and to give access to essential facilities within the home.
Building Safety	80.1	Includes Six Storey blocks (£36.9m), Low rise (£7.8m) and Retirement Living Schemes (£24.9m).
Refugee Housing	2.2	Local Authority Housing Fund for the provision of Refugee Housing accommodation for families with housing needs
I.T	2.3	Continued investment in IT System replacements for Housing Management, assets, and maintenance



# Prudential & Treasury Management Indicators

## Quarter 4 2024-25



# Prudential Indicators

- The Council measures and manages its **capital expenditure, borrowing and commercial and service investments** with reference to the following indicators.
- It is now a requirement of the **CIPFA Prudential Code** that these are reported on a quarterly basis.
- **Information contained includes:**
  - Capital Expenditure
  - Capital Financing Requirement
  - Gross Debt and the Capital Financing Requirement
  - Debt and the Authorised Limiting and Operational Boundary
  - Net Income from Commercial and Service Investments to Net Revenue Stream
  - Proportion of Financing Costs to Net Revenue Stream



# Prudential Indicators

## Capital Expenditure

- The Council has undertaken and is planning capital expenditure as summarised in the table below.
- The main General Fund capital projects for 24/25 include spend on the Cultural Heart, Town Centre Action Plans (Huddersfield/Dewsbury/Local Centres), Highways baseline schemes, and major projects for both the West Yorkshire plus Transport Schemes and Transforming Cities Fund. HRA capital expenditure is recorded separately and to date includes supporting a Council House Building programme, Building Safety and Housing Growth
- The 24/25 forecast includes spend rolled over from 23/24, while 25/26 and 26/7 budget figures are those approved as part of the 24/25 Budget Report

	2023/24 £m actual	2024/25 £m actual	2025/26 £m budget	2026/27 £m budget
General Fund	111.1	103.6	188.0	122.7
Housing Revenue Account	31.6	35.0	64.6	64.0
Capital investments	5.6	2.0	0.0	0.0
<b>Total Capital expenditure</b>	<b>148.3</b>	<b>140.6</b>	<b>252.6</b>	<b>186.7</b>



# Prudential Indicators

## Capital Financing Requirement

- The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP, loan repayments and capital receipts used to replace debt. The actual CFR is calculated on an annual basis.
- The effect from the change in the accounting for leases has not yet been reflected in the CFR.

	2023/24 £m actual	2024/25 £m actual	2025/26 £m budget	2026/27 £m Budget
General Fund	691.2	731.2	798.5	831.5
Housing Revenue Account	204.3	207.0	212.0	213.8
Capital investments	5.6	2.0	0.0	0.0
<b>Total Capital Financing Requirement</b>	<b>901.1</b>	<b>940.2</b>	<b>1,010.5</b>	<b>1,045.3</b>



# Prudential Indicators

## Gross Debt and the Capital Financing Requirement

- Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Council has complied and expects to continue to comply with this requirement in the medium term as is shown below.

	2023/24 actual £m	2024/25 actual £m	2025/26 budget £m	2026/27 budget £m	Debt at 31.03.2025 £m
Debt (incl. PFI & leases)	784.9	864.5	866.5	901.2	864.5
Capital Financing Requirement	901.1	940.2	1,010.5	1,045.3	



# Prudential Indicators

## Debt and the Authorised Limit and Operational Boundary

- The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower Operational Boundary is also set as a warning level should debt approach the limit.
- Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. Total debt did not go above the operational boundary.

	Maximum debt Q4 2024/25	Debt at 31.03.25	2024/25 Authorised Limit	2024/25 Operational Boundary	Complied
Borrowing	781.9	774.0	892.6	872.6	Yes
PFI and Finance Leases *	90.5	90.5*	82.8	77.8	No
<b>Total debt</b>	<b>847.2</b>	<b>864.5</b>	<b>975.4</b>	<b>950.4</b>	

\* The impact of the IFRS16 standard on leases has resulted in an increase in the lease liabilities at 1<sup>st</sup> April 24 of £19.0m



# Prudential Indicators

## Net Income from Commercial and Service Investments to Net Revenue Stream

- The Council's income from commercial and service investments as a proportion of its net revenue stream has been and is expected to be as indicated below.

	2023/24 actual £m	2024/25 actual £m	2025/26 budget £m *	2026/27 budget £m *
Total net income from service and commercial investments	-1.4	-1.2	-2.0	-2.0
Proportion of net revenue stream	-0.4%	-0.4%	-0.5%	-0.5%

\* updated with 25/26 capital strategy



# Prudential Indicators

## Proportion of Financing Costs to Net Revenue Stream

- Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.
- The net annual charge is known as financing costs; this is compared to the net revenue stream, ie the amount funded from Council tax, Business rates and general government grants.

	2023/24 actual	2024/25 actual	2025/26 budget *	2026/27 budget *
General Fund - Financing costs (£m)	21.4	36.9	44.3	52.9
General Fund – Proportion of net revenue stream (with reduced MRP)	5.9%	9.8%	10.2%	11.8%
General Fund – Proportion of net revenue stream (full MRP)	11.6%	13.8%	11.1%	12.7%
HRA – Financing costs (£m) – (including depreciation)	35.3	34.8	34.3	35.3
HRA - Proportion of net revenue stream	35.9%	32.6%	31.2%	31.5%

\* updated with 25/26 capital strategy



# Treasury Management Indicators

- **Indicators include:**
  - Liability Benchmark
  - Maturity Structure of Borrowing
  - Long Term Treasury Management Investment
  - Interest Rate Exposures



# Treasury Management Indicators

## Liability Benchmark

- This indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £30.0 million required to manage day-to-day cash flow.
- Following on from the medium-term forecast below, the long-term liability benchmark includes capital expenditure funded by borrowing of £31.5 million in 2024-25, minimum revenue provision based on assets lives and reduction in balance sheet resources of £21.0 million.

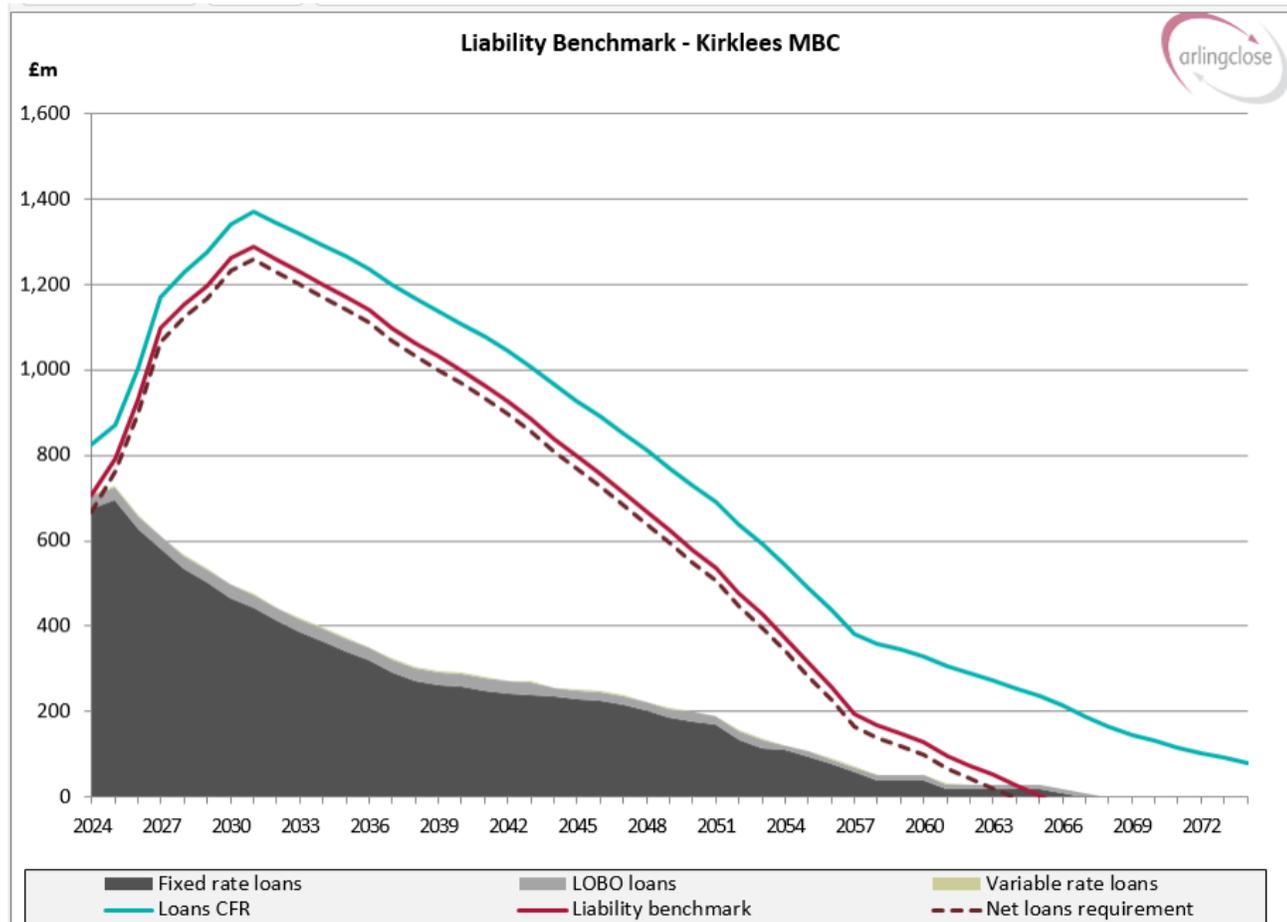
	31.03.24 actual £m	31.03.25 actual £m	31.03.26 forecast £m	31.03.27 forecast £m
Loans CFR	823.5	849.7	1002.8	1171.5
Less: Balance sheet resources	155.3	134.3	104.9	105.9
Net loans requirement	668.2	715.4	897.9	1065.6
Plus: Estimated Liquidity allowance	38.9	58.6	30.0	30.0
Liability benchmark	707.1	774.0	927.9	1095.6
Existing borrowing - committed	707.3	774.0	738.2	661.8



# Treasury Management Indicators

## Liability Benchmark

The total liability benchmark is shown in the chart, together with the maturity profile of the Council's existing borrowing. The red line is the liability benchmark reaching a peak in 2031 highlighting the gap between current borrowing identified in grey, which is reducing over time with repayments, and the additional borrowing required to fund the capital plan.



# Treasury Management Indicators

## Maturity Structure of Borrowing

- This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper limit	Lower limit	31.03.25 actual	Complied
Under 12 months	20%	0%	14%	Yes
12 months and within 24 months	20%	0%	7%	Yes
24 months and within 5 years	60%	0%	18%	Yes
5 years and within 10 years	80%	0%	18%	Yes
10 years and above	100%	20%	44%	Yes

- Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. LOBO options of £30.9 million have a potential repayment date during 2025-26 and have been included in the under 12 months line.



# Treasury Management Indicators

## Long term Treasury Management Investments

- The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2024/25	2025/26	2026/27	No fixed date
Limit on principal invested beyond year end	n/a	n/a	n/a	n/a
Actual principal invested beyond year end	£10.0m	£10.0m	£10.0m	£10.0m
Complied	Yes	Yes	Yes	Yes

- Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.



# Treasury Management Indicators

## Interest Rate Exposures

For context, the changes in interest rates during the quarter were:

	<b>31/03/24</b>	<b>31/03/25</b>
Bank Rate	5.25%	4.50%
1-year PWLB certainty rate, maturity loans	5.36%	4.82%
5-year PWLB certainty rate, maturity loans	4.68%	4.97%
10-year PWLB certainty rate, maturity loans	4.74%	5.42%
20-year PWLB certainty rate, maturity loans	5.18%	5.91%
50-year PWLB certainty rate, maturity loans	5.01%	5.67%





# Monthly 24/25 Budget Savings Delivery Update - Outturn

# Savings delivery summary (all directorates & HRA)

	24/25				
Directorate	Total budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	Change in Variance from previous £000	% Savings Delivered
Children and Families	-6,104	-5,248	856	-93	86%
Adults and Health	-15,524	-11,112	4,142	197	73%
Place	-13,780	-9,947	3,833	-1,299	72%
Corporate Strategy, Commissioning and Public Health	-7,416	-7,416	-	-	100%
<b>All Directorates</b>	<b>-42,554</b>	<b>-33,723</b>	<b>8,831</b>	<b>-1,195</b>	<b>79%</b>
Housing Revenue Account	-3,121	-2,950	171	-82	95%
<b>Total Directorates + HRA</b>	<b>-45,675</b>	<b>-36,673</b>	<b>9,002</b>	<b>-1,277</b>	<b>80%</b>

# Savings Delivery Monitoring RAG Summary (all directorates & HRA)

	24/25				
Proposals (RAG rating)	Number of proposals	Change from previous	Budgeted Savings £000	Outturn £000	Variance £000
<b>Complete</b> – proposal has been fully delivered and full savings will be realised	89	46	-28,124	-29,184	-1,060
<b>On track</b> – high level of confidence that full savings will be delivered	-	-44	-	-	-
<b>May slip</b> – a risk that full savings will not be realised, but mitigating actions are in place. High level of confidence that mitigating actions will bring this back on track.	-	-10	-	-	-
<b>Slipped</b> – a risk that full savings will not be realised, but mitigating actions are in place. Lower level of confidence that mitigating actions will bring this back on track.	21	6	-16,461	-6,399	10,062
<b>Significant issue</b> – proposal cannot be delivered. Alternative proposal to deliver the quantum needs to be found from elsewhere.	2	2	-	-	-
<b>TOTAL</b>	<b>112</b>	<b>0</b>	<b>-45,675</b>	<b>-36,673</b>	<b>9,002</b>
<b>Changes since previous reporting period - Summary</b>	<b>Number of proposals</b>				
Proposals moved in positive direction (e.g. from Red to Amber)	59				
Proposals moved in a negative direction (e.g. from Amber to Red)	11				



# Monthly Savings Monitoring

## Children and Families

### [Outturn]

## Savings Delivery Monitoring – Children and Families (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous
24CF1	Cross Directorate	Integration for support to keep families together	-1,443	-1,326	117	Slipped	£117k slippage pressure on Early Support budget	0	↓
24CF2	Child protection and Family Support	Section 17 Funding and Household Support Fund	-220	213	433	Slipped	HSF will be used to substitute budget but still pressure of £433K.	0	↓
24CF3	Child protection and Family Support	Redesign MST (Multisystemic Therapy) provision	-290	-290	0	Complete		0	↔
24CF4	Learning and Early Support	Further review Calderdale and Kirklees Careers Contract	-750	-750	0	Complete		0	↔
24CF5	Learning and Early Support	SEND Efficiencies	-64	-64	0	Complete		0	↑
24CF6	Learning and Early Support	Mainstream our approach to mental health in Families	-314	-314	0	Complete		0	↔
24CF7	Learning and Early Support	School Support Efficiencies	-111	-111	0	Complete		0	↑
24CF8	Learning and Early Support	Redesign and integration of targeted detached Youth Work offer	-398	-353	45	Slipped	Slippage against target due to timescales slipping	0	↓
24CF9	Learning and Early Support	Redesign Early Support Play Offer	-152	-152	0	Complete		0	↔
24CF11	Resources, Improvements and Partnerships	Redesign of short break, respite and support provision	-400	-246	154	Slipped	Slippage in timescale of redesign	0	↓

## Savings Delivery Monitoring – Children and Families (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24CF12	Resources, Improvements and Partnerships	CAMHS redesign and associated efficiencies	-180	-180	0	Complete		0	↔
24CF13	Resources, Improvements and Partnerships	Renegotiation of One Adoption West Yorkshire funding formula	-425	-425	0	Complete		0	↔
24CF14	Resources, Improvements and Partnerships	Funding contributions to placements (NHS)	-400	-400	0	Complete		0	↑
24CF16	Learning and Early Support	Cease the operation of Kirklees Supply Service (KSS)	-60	-60	0	Complete		0	↔
24CF17	Learning and Early Support	Stop direct delivery for the Duke of Edinburgh Award	-105	-105	0	Complete		-62	↑
24CF19	Learning and Early Support	School Improvement	-200	-93	107	Slipped	Work ongoing to reduce overspending into 2025/26	-31	↓
24CF20	Learning and Early Support	Reduce success Centres Offer	-100	-100	0	Complete		0	↑
24CF22	Children and Families Directorate	Expected vacancy efficiency management	-264	-264	0	Complete		0	↑
24CF23	Learning and Early Support	Virtual School for Children looked after – embedding of additional duties	-125	-125	0	Complete		0	↔

## Savings Delivery Monitoring – Children and Families (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
NEWCH1	Child protection and Family Support	Remodel early help and children's social care in line with National review	-17	-17	0	Complete		0	↔
NEWCH7	Child protection and Family Support	Review & redesign C&K commission	-86	-86	0	Complete		0	↔
<b>TOTAL CHILDREN AND FAMILIES</b>			<b>-6,104</b>	<b>-5,248</b>	<b>856</b>			<b>-93</b>	



# Monthly Savings Monitoring

## Adults and Health [Outturn]

# Savings Delivery Monitoring – Adults and Health (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24AH2	Adult social care in-house provision	Explore the future of learning disabilities supported living schemes provided by the Council	-200	-546	-346	Complete		246	↑
24AH3	Adult Social Care	Alignment of Occupational Therapy services to improve outcomes for the citizens of Kirklees	-100	-100	0	Complete		0	↑
24AH4	Mental Health and Learning Disabilities	Contract Savings	-277	-277	0	Complete		0	↔
24AH6	Adults and Health	Household Support Fund Grant	-400	-400	0	Complete		0	↔
24AH7	Adult Social Care	Kirklees Integrated Community Equipment Service (KICES)	-200	-200	0	Complete		0	↑
24AH9	Adult Social Care	Staffing savings across Adults and Health	-340	-340	0	Complete		0	↔
24AH11	Mental Health and Learning Disabilities	Supported Living Project	-1,680	-937	743	Slipped	Work ongoing around Adults Transformation programme - some slippage into next year. See also 24AH02	--527	↔
24AH12	Adult Social Care	Reduction of Agency Use against all Hubs	-80	-80	0	Complete		0	↑

## Savings Delivery Monitoring – Adults and Health (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24AH13	Adult Social Care	Review of Direct Payment Policy application to ensure delivering to intended outcomes for individuals	-1,750	-139	1,611	Slipped	Work ongoing around Adults Transformation programme - slippage (some to be realised in 25-26) - see also transformation programme phase 2.	255	↔
24AH14a	Learning Disability	Reviewing Shared Lives Provision to mitigate costs elsewhere in Adult Social Care	-350	-66	284	Slipped	Work ongoing around Adults Transformation programme	284	↓
24AH17	Communities and Access Services	Community Based Integrated Library and customer service functions and assets	-950	-752	198	Slipped	Service change. Timing delay - will be okay in 25-26	41	↔
24AH18	Communities and Access Services	Bring all customer contact centre activity together across the Council	-175	-175	0	Complete		0	↑
24AH19	Communities and Access Services	Review of Registration Service Delivery Model and fees and charges	-40	-193	-153	Complete		11	↔
24AH20	Communities and Access Services	Community Grant Schemes	-604	-604	0	Complete		0	↔
24AH21	Communities and Access Services	Review of 24 hours service	-120	-120	0	Complete		0	↑
24AH22	Communities and Access Services	Community Safety	-250	-250	0	Complete		0	↔

## Savings Delivery Monitoring – Adults and Health (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24AH23	Adult Social Care	Ings Grove – exploring partnership delivery options	-643	-643	0	Complete	Achieved through improved service wide approach to income, cross service vacancy management and realignment of HomeFirst funding. For 2025-26 work is ongoing to further review partnership income potential, and other options.	-161	
24AH24	Communities and Access Services	Review of Personalised Care funding and delivery model	-170	-170	0	Complete		0	
24AH25	Learning Disability and Mental Health	To review the current Southwest Yorkshire Partnership NHS Foundation Trust (SWYPFT) and Kirklees Council’s Community Mental Health Integration arrangements	-270	-255	15	Slipped	Various elements on track, slight variance.	15	
24AH28	Adult Social Care	Increasing the collection of social care income	-2,627	-500	2,127	Slipped	Ongoing review of income streams, processes, and levels of debt - underachievement, but some benefit to land in 25-26	-180	
NEWAD 1	Communities and Access Services	Integrated Community and Access model	-147	-147	0	Complete		0	
NEWAD 2	Older people and Physical Disabilities	Work with an External Change Partner	-3,240	-3,577	-337	Complete		236	

## Savings Delivery Monitoring – Adults and Health (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
NEWAD3	Learning Disability and Mental Health	Work with wider health and care system to properly reflect the cost and design of services	-378	-378	0	Complete		-23	
NEWAD4	Learning Disability and Mental Health	Reviewing the respite offer for people with a learning disability	-189	-189	0	Complete		0	
NEWAD5	Adults Sufficiency	Mental Health Peer Support service pilot review	-26	-26	0	Complete		0	
NEWAD11	Adults Sufficiency	Review of Stroke Support services	-48	-48	0	Complete		0	
<b>TOTAL ADULTS AND HEALTH</b>			<b>-15,254</b>	<b>-11,112</b>	<b>4,142</b>			<b>197</b>	



# Monthly Savings Monitoring

Place  
[Outturn]

## Savings Delivery Monitoring – Place (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24GR1	Business and Economy	Reduction in support to business	-250	-250	0	Complete		0	↑
24GR2	Employment and Skills	Reduction in employment and Skills support to individuals and businesses	-248	-248	0	Complete		0	↑
24GR3	Corporate Landlord and Capital	Business rate savings from successful rating appeals in respect of museums and galleries	-100	-100	0	Complete		0	↑
24GR5	Corporate Landlord and Capital	Asset Rationalisation	-840	-840	0	Complete		0	↑
24GR6	Major Projects	Increased additional external recharges for delivery of transport and infrastructure programmes	-250	-250	0	Complete		0	↑
24GR7	Major Projects	Reduction of the Digital Infrastructure Team	-200	-200	0	Complete		0	↑

## Savings Delivery Monitoring – Place (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24GR8	Housing Solutions (Benefit Subsidy)	Potential rent increase for temporary accommodation	-200	0	200	Slipped	It was determined that this saving was undeliverable due to the requirement to comply with the Rent Standard for social landlords.	0	↔
24GR9	Housing Solutions	Extending the trial of additional temporary accommodation	-320	-320	0	Complete		0	↑
24GR10	Housing Growth	Reduction in Posts	-94	-94	0	Complete		0	↑
24GR11	Development, Housing	Increase of fees on Disabled Facilities Grants	-370	-370	0	Complete		0	↑
24GR12	Town Centre Programmes	Readjustment of budget for capitalisation of staff and utilisation of external funding	-55	-55	0	Complete		0	↑
24GR13	Development	One-off savings 24/25	-298	-298	0	Complete		0	↑

# Savings Delivery Monitoring – Place (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24GR14	Growth and Regeneration Directorate	Efficiencies / Directorate Wide	-670	-335	335	Slipped	Mitigations are a freeze on all Highway & SS revenue funded posts and a £50k future efficient saving from Highway revenue	200	↔
24EC1a	Highways	Recharge Rate Increase	-405	-405	0	Complete		0	↑
24EC1b	Highways	Reduction of Winter Service	-550	-276	274	Slipped	Saving predicated on reducing gritting routes to achieve the £550k saving. This proposal was withdrawn mid year 2024/25. However other savings have been implemented by the service which have generated a £0.3m in year saving on winter maintenance	0	↔
24EC1c	Highways and Operational Services	Removal of services relating to highways and operational services	-66	-66	0	Complete		0	↑
24EC2	Highways	Additional Income Generation	-770	-770	0	Complete		0	↑
24EC3	Highways	Changes to Grading/Removal of Existing Revenue Funded Established Posts	-130	-130	0	Complete		0	↑
24EC5	Operational Services	Homes and Neighbourhoods Service Level Agreement Review	-645	-275	370	Slipped	Delivered Differently through Parks & Greenspace service review. Full effect from April 25 onwards.	0	↔

## Savings Delivery Monitoring – Place (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24EC6	Operational Services	Street Cleansing Review	-250	-250	0	Complete		0	↑
24EC7	Operational Services	Waste Collection from unadopted roads	-85	-85	0	Complete		0	↑
24EC9	Operational Services	Household Waste Recycling Centre Opening hours review	-56	-56	0	Complete		0	↑
24EC10	Operational Services	Missed waste collection policy change	-150	-150	0	Complete		0	↑
24EC13	Operational Services	Bulky Waste Charges Review	-126	-126	0	Complete		0	↑
24EC14	Climate Change and Environmental Strategy	School Transport Service Transformation	-728	-728	0	Complete	Post 16 changes to be implemented in September 2024. Policy implemented. Policy has 'worked' however, circa. 100 additional students on (33% increase) has limited the savings potential	-728	↑
24EC15	Environmental Health	To increase income and decrease the headcount of the environmental health service by service review.	-54	-54	0	Complete		0	↑
24EC17	Public Protection	Directorate Programme Office Structure Review	-150	-150	0	Complete		0	↑
24EC19	Climate Change and Environmental Strategy	Electric Vehicle Infrastructure Delivery – external funding used for salaries.	-50	-50	0	Complete		0	↑

# Savings Delivery Monitoring – Place (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24EC29	Operational Services	Parking Services – Residents Parking Charges and New District Parking Charges	-1,004	-137	867	Slipped	All parking service changes delivered with full year effect expected from April 25 onwards. Ongoing monitoring to review actual vs. modelled position.	178	↔
24EC30	Highways and Streetscene	Fleet Reductions	-496	-216	280	Slipped	Challenge in recovering Grey Fleet mileage saving element from multiple budgets outside of service control.	0	↓
24EC31	Highways and Streetscene	A review of capital recharge (staffing) rates whilst employed of both internal and external (grant) projects.	-695	-695	0	Complete		0	↑
NEWGR5	Development	Asset Rationalisation	-1,350	-443	907	Slipped	Use of flexible capital receipts for transformational activities, essential only repairs, holding of vacancies	-549	↔
NEWEN2	Climate Change and Environmental Strategy	Change to policy and operational delivery to reduce costs	-325	-325	0	Complete		0	↑
NEWEN5	Highways	Parking – Existing Charges Uplift	-1,600	-1,000	600	Slipped	All parking service changes delivered with full year effect expected from April 25 onwards. Ongoing monitoring to review actual vs. modelled position.	-400	↔
NEWEN7	Highways and Streetscene	Waste Strategy efficiencies	-200	-200	0	Complete		0	↑
<b>TOTAL PLACE</b>			<b>-13,780</b>	<b>-9,947</b>	<b>3,833</b>			<b>-1,299</b>	

# Savings Delivery Monitoring – Housing Revenue Account (ALL Proposals)

	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
HRA1	Housing Management and Partnerships	Management Cost Savings HMP	-428	-428	0	Complete		0	
HRA2	Asset Development and Building Safety	Management cost savings AD&BS	-93	-93	0	Complete		0	
HRA3	Property Services	Management Cost Savings – Property	-379	-379	0	Complete		-82	
HRA4	Housing Management and Partnerships	Recovery of service charges	-250	-110	140	Slipped	Initial assumption included GM but tenants not agreed. Savings achieved through Communal cleaning	0	
HRA5	Housing Management and Partnerships	Reduction in standard void rent loss	-255	0	255	Slipped	Savings have not been achieved to date. A revised process is in place and work is ongoing to improve this position.	0	
HRA6	Asset Development and Building Safety	Removal of waking watch Harold Wilson Court	-416	-640	-224	Complete		0	
HRA11	Housing Management and Partnerships	Maximising rental income when re-letting properties	-300	-300	0	Complete		0	
HRA12	Housing Management and Partnerships	No longer funding Kirklees Better Outcomes Partnership	-1,000	-1,000	0	Complete		0	
<b>TOTAL HRA</b>			<b>-3,121</b>	<b>-2,950</b>	<b>171</b>			<b>-82</b>	



# Monthly Savings Monitoring

Corporate Strategy, Commissioning and Public Health  
[Outturn]

## Savings Delivery Monitoring – Corporate Strategy (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24CS1	Legal and Procurement	Capitalising time allocated to work on capital related work	-400	-400	0	Complete		0	↑
24CS2	Legal, Governance and Commissioning	Vacancy Management and Reviewing Fees and Charges	-120	-120	0	Complete		0	↑
24CS4	Welfare and Exchequer and Advice	Advice Contract and Advice Provision	-250	-250	0	Complete		0	↑
24CS5	Accountancy	Changes in Supplier Payment Terms	-460	-460	0	Complete		0	↔
24CS6	Welfare and Exchequer	Vacancy Management in Welfare and Exchequer Service	-305	-305	0	Complete		0	↑
24CS7A	Welfare and Exchequer	Council Tax Support	-3,300 (not in totals)	-3,300 (not in totals)	0	Complete		0	↑
24CS7B	Welfare and Exchequer	Single Person Review (SPD) (Only non-CTR recipients)	-937 (not in totals)	-937 (not in totals)	0	Complete		0	↑
24CS8	People Services	Review of People Services Operating Model	-298	-298	0	Complete		0	↔

## Savings Delivery Monitoring – Corporate Strategy (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24CS9	People Services	Improvements and Changes to Agency Spend	-750	-750	0	Significant Issue	Alternative budget found	0	↓
24CS11	Policy, Partnerships and Corporate Planning	Service Re-design	-110	-110	0	Complete		0	↔
24CS13	IT	Efficiencies relating to Information Technology	-549	-549	0	Complete		0	↑
24CS16	Public Health	PH Ring-Fenced Budget	-1,314	-1,314	0	Complete		0	↑
24CS17	Democracy and Place Based Working	Service Re-design	-88	-88	0	Complete		0	↑
24CS18D	People Services	Improvement to Overtime Costs across the Council	-340	-340	0	Significant Issue	Alternative budget found	0	↓
24CS20	Democracy and Place Based Working	Members Devolved Ward Budget	-230	-230	0	Complete		0	↑
24CS21	Cross Directorate	Efficiencies – Governance £270k,	-270	-270	0	On track		0	↑

## Savings Delivery Monitoring – Corporate Strategy (ALL Proposals)

Ref	Service Area	Proposal Title	24/25 budgeted savings £000	24/25 Outturn £000	24/25 Variance £000	RAG Rating	Update/ Mitigating actions	Change in Variance from previous £000	RAG change from previous report
24EC18	Culture and Visitor Economy	Increase to Bereavement Fees and Charges	-180	-180	0	Complete		0	↑
24EC20	Culture and Visitor Economy	Caretaking and Cleaning – Increased charges to schools	-200	-200	0	Complete		0	↑
24EC21	Culture and Visitor Economy	Markets Vacancy Savings and Income Generation	-248	-248	0	Complete		0	↑
24EC22	Culture and Visitor Economy	Changes to the creative Development offer	-90	-90	0	Complete		0	↔
24EC24	Culture and Visitor Economy	Operational Review relating to Commercial Catering, Venues and Museums and Galleries	-104	-104	0	Complete		0	↑
24EC27	Culture and Visitor Economy	Increase Commercial Income	-140	-140	0	Complete		0	↑
24EC34	Culture and Visitor Economy	Increase School Meal Charges	-503	-503	0	Complete		0	↑
NEWCS3/4	Finance	Administration Funding from HSF	-367	-367	0	Complete		0	↑
NEWCS3/4	Strategy & Innovation	Performance Income from Schools	-100	-100	0	Complete		0	↑
<b>TOTAL CORPORATE STRATEGY</b>			<b>-7,416</b>	<b>-7,416</b>	<b>0</b>			<b>0</b>	

## Breakdown of Outturn Capital Budget Changes since Q3 Monitoring Appendix 3

	£'000	£'000	£'000
<b>Q3 FINANCIAL MONITORING REPORT</b>			<b>169,230</b>
<b>Increase in Grants/Contributions/Other</b>			
<b>Place</b>			
WY Investment Zone (Grant)	668		
UKSPF E19 HWI (Health & Wellbeing Incubator) Thrive (Grant)	14		
Integrated Transport & Active Travel (S106)	249		
Flood Management & Drainage	(5)		
Private Sector Housing (Grant)	(5)		
Corporate Landlord (Grant/Contribution)	68		
Huddersfield Town Centre Action Plan, St Peters Gardens (UKSPF)	166		
Our Local Centres (UKSPF/Dale Lane Community Garden) (Grant)	292		
Highways (S278/S106)	694		
Highways (RCCO)	13		
Play Strategy (S106)	86		
<b>Corporate</b>			
Kirklees Active Leisure (Self-funded)	(445)		
<b>Change in Grants/Contributions/RCCO/Other</b>		<b>1,795</b>	
<b>Re-profiling / Virements between Years</b>			
<b>General Fund:</b>			
<b>Children &amp; Families</b>			
Thornhill Community Academy	(200)		
North Huddersfield Trust School	(800)		
SEND District Sufficiency	(779)		
Capital Maintenance	(532)		
Devolved Formula Capital	(200)		
Homes for Children - Satellite Provision	(50)		
Children with Disabilities	(31)		
<b>Adults</b>			
Libraries Open Access	(68)		
<b>Place</b>			
West Yorkshire Investment Zone	(570)		
West Yorkshire plus Transport Schemes	(92)		
Transforming Cities Fund	(1,773)		
Active Travel	7		
Integrated Transport & Active Travel	402		
Flood Management & Land Drainage	120		
Dalton/Deighton Cycle Track (CRSTS)	(10)		
A62 - A644 Bus Priority Scheme (CRSTS)	4		

## Breakdown of Capital Budget Changes since Q3 Monitoring (continued)

### Appendix 3

	£'000	£'000	£'000
<b>Re-profiling / Virements between Years (cont'd)</b>			
Trees for Climate	(5,006)		
Dewsbury Riverside	(46)		
Bradley Park	(152)		
Brownfield Land Release Fund - Highmoor Lane	(24)		
Corporate Landlord	(2,343)		
Huddersfield Town Centre Action Plan	(487)		
Dewsbury Town Centre Action Plan	(2,596)		
Regeneration of Our Local Centres	(497)		
Cultural Heart	(1,312)		
Highways	(764)		
Play Strategy	(58)		
Bulk & Wheeled Containers	42		
Environment & Infrastructure PH	(19)		
Air Quality	(50)		
<b>Public Health &amp; Corporate Resources</b>			
Sustainability of Town Halls Budget	(15)		
School Catering	84		
<b>Total Re-profiling</b>		<b>(17,815)</b>	
<b>Total Change in Budget</b>			<b>(16,020)</b>
<b>OUTTURN CAPITAL BUDGET</b>			<b>153,210</b>

	£'000	£'000
<b>Change in Budget - Funding Breakdown:</b>		
<b>General Fund</b>		
Borrowing	(5,786)	
Self-financed	(360)	
Revenue Contribution to Capital (RCCO)	13	
Grants	(10,700)	
Contributions/S106/S278	965	
Receipts/Capital Allowances	(152)	
<b>Change in Budget</b>		<b>(16,020)</b>

## Capital Plan Expenditure Summary

	Outturn	Capital Plan inclusive of Rollover					
Capital Plan Expenditure Summary	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>General Fund:</b>							
Children & Families	8,832	25,727	29,573	21,610	3,827	2,750	<b>83,487</b>
Adults & Health	3,180	4,223	8,424	3,031	0	0	<b>15,678</b>
Place	85,971	204,201	215,355	121,831	77,907	144,196	<b>763,490</b>
Public Health & Corporate Resources	7,658	18,848	11,806	11,636	11,516	11,100	<b>64,906</b>
<b>General Fund Capital Plan</b>	<b>105,641</b>	<b>252,999</b>	<b>265,158</b>	<b>158,108</b>	<b>93,250</b>	<b>158,046</b>	<b>927,561</b>
<b>Housing Revenue Account Capital Plan</b>	<b>34,962</b>	<b>47,363</b>	<b>63,208</b>	<b>70,589</b>	<b>54,502</b>	<b>109,552</b>	<b>345,214</b>
<b>TOTAL EXPENDITURE</b>	<b>140,603</b>	<b>300,362</b>	<b>328,366</b>	<b>228,697</b>	<b>147,752</b>	<b>267,598</b>	<b>1,272,775</b>

## Capital Plan Funding Summary

## Appendix 4a

	Outturn	Capital Plan inclusive of Rollover					
General Fund Funding Summary	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
Direct / Earmarked Contributions to Schemes							
Capital Grants/Contributions	64,000	122,103	111,690	66,697	45,182	53,432	<b>399,104</b>
Earmarked Capital Receipts	6,050	11,256	8,612	390	3,390	3,390	<b>27,038</b>
Service Funded Prudential Borrowing	979	24,383	30,626	17,187	10,000	12,050	<b>94,246</b>
Revenue Contributions	93	0	0	0	0	0	<b>0</b>
Pooled Resources							
Non-Earmarked Capital Receipts	4,000	4,000	4,000	4,000	4,000	4,000	<b>20,000</b>
Corporate Prudential Borrowing	30,519	91,257	110,230	69,834	30,678	85,174	<b>387,173</b>
<b>GENERAL FUND FUNDING</b>	<b>105,641</b>	<b>252,999</b>	<b>265,158</b>	<b>158,108</b>	<b>93,250</b>	<b>158,046</b>	<b>927,561</b>

	Outturn	Capital Plan inclusive of Rollover					
Housing Revenue Account Funding Summary	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
Capital Grants/Contributions	2,025	1,998	5,169	10,326	2,721	741	<b>20,955</b>
Earmarked Capital Receipts	4,324	2,074	875	1,100	5,500	3,790	<b>13,339</b>
Reserves / Revenue Contributions	4,637	17,840	0	1,000	0	0	<b>18,840</b>
Reserves - MRR	23,976	23,989	24,239	24,489	24,739	75,717	<b>173,173</b>
Corporate Prudential Borrowing	0	1,462	32,925	33,674	21,542	29,304	<b>118,907</b>
<b>HRA FUNDING</b>	<b>34,962</b>	<b>47,363</b>	<b>63,208</b>	<b>70,589</b>	<b>54,502</b>	<b>109,552</b>	<b>345,214</b>

# Multi-Year Capital Plan

# Appendix 4b

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover					Total £'000	
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000		
<b>CHILDREN &amp; FAMILIES</b>										
<b>LEARNING &amp; EARLY SUPPORT</b>										
<b>Strategic Priorities</b>										
New Special School for Woodley @ Almondbury		B/G	1,782	6,000	11,896	10,574	827	0		29,297
New Special School for Joseph Norton @ Deighton		B/G	839	9,000	12,035	696	0	0		21,731
		T	<b>2,621</b>	<b>15,000</b>	<b>23,931</b>	<b>11,270</b>	<b>827</b>	<b>0</b>		<b>51,028</b>
High Needs		G	0	0	0	6,119	0	0		6,119
Additionally Resourced Provisions / Satellite Provisions		G	719	666	300	0	0	0		966
District Sufficiency		T	<b>3,340</b>	<b>15,666</b>	<b>24,231</b>	<b>17,389</b>	<b>827</b>	<b>0</b>		<b>58,113</b>
Brambles Primary Academy		G	16	0	0	0	0	0		0
King James High School		G	(12)	229	0	0	0	0		229
Scissett Middle School		S106	16	0	0	0	0	0		0
Birkby Junior Expansion		G	12	0	0	0	0	0		0
North Huddersfield Trust School		G/B	867	1,941	150	0	0	0		2,091
Manor Croft Academy		G	44	61	0	0	0	0		61
Thornhill Community Academy		G	128	384	50	0	0	0		434
Secondary Places Basic Need		G	0	73	80	51	0	0		204
New Pupil Places in Primary/Secondary Schools		T	<b>1,071</b>	<b>2,688</b>	<b>280</b>	<b>51</b>	<b>0</b>	<b>0</b>		<b>3,019</b>
Childcare Expansion		G	0	200	400	299	0	0		899
<b>Strategic Priorities Total</b>			<b>4,411</b>	<b>18,554</b>	<b>24,911</b>	<b>17,739</b>	<b>827</b>	<b>0</b>		<b>62,031</b>

# Multi-Year Capital Plan

# Appendix 4b

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover						
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000	
<b>CHILDREN &amp; FAMILIES</b>										
	<b>LEARNING &amp; EARLY SUPPORT</b>									
	<b>Baseline</b>									
	Capital Maintenance	G	3,534	5,299	2,900	2,700	2,500	2,300		15,699
	Devolved Formula Capital	G	807	1,324	1,100	550	500	450		3,924
	<b>Baseline Total</b>		<b>4,341</b>	<b>6,623</b>	<b>4,000</b>	<b>3,250</b>	<b>3,000</b>	<b>2,750</b>		<b>19,623</b>
	<b>LEARNING &amp; EARLY SUPPORT TOTAL</b>		<b>8,752</b>	<b>25,177</b>	<b>28,911</b>	<b>20,989</b>	<b>3,827</b>	<b>2,750</b>		<b>81,654</b>
	<b>RESOURCES, IMPROVEMENT AND PARTNERSHIPS</b>									
	<b>Strategic Priorities</b>									
	Homes for Children:									
	Magdale House	B	41	0	0	0	0	0		0
	Healds Road	B	(1)	0	0	0	0	0		0
	Satellite Provision - Liversedge	B	40	550	0	0	0	0		550
	Satellite Provision	B	0	0	162	0	0	0		162
	Children with Disabilities	B	0	0	500	621	0	0		1,121
	<b>RESOURCES, IMPROVEMENT AND PARTNERSHIPS TOTAL</b>		<b>80</b>	<b>550</b>	<b>662</b>	<b>621</b>	<b>0</b>	<b>0</b>		<b>1,833</b>
	<b>CHILDREN &amp; FAMILIES TOTAL</b>		<b>8,832</b>	<b>25,727</b>	<b>29,573</b>	<b>21,610</b>	<b>3,827</b>	<b>2,750</b>		<b>83,487</b>

# Multi-Year Capital Plan

# Appendix 4b

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover						
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000	
<b>ADULTS &amp; HEALTH</b>										
<b>COMMUNITIES AND ACCESS SERVICES</b>										
	Libraries	B	1	290	3,033	283	0	0		3,606
	Library Open Access	G	0	123	14	0	0	0		137
	UKSPF - Grant for Safety of Women & Girls	G	74	0	0	0	0	0		0
	<b>COMMUNITIES AND ACCESS SERVICES TOTAL</b>		<b>75</b>	<b>413</b>	<b>3,047</b>	<b>283</b>	<b>0</b>	<b>0</b>		<b>3,743</b>
<b>LEARNING DISABILITIES &amp; MENTAL HEALTH</b>										
	Commissioning Option Appraisals to facilitate outcomes of Specialist Accommodation Strategy	B	2	29	0	0	0	0		29
	Knowl Park House	B	2,235	592	0	0	0	0		592
	Milldale and Crescentdale	B/G	371	2,935	877	0	0	0		3,812
	Red Laithes Court	B	55	19	0	0	0	0		19
	Day Services Support for Vulnerable Adults	B	(2)	0	4,500	2,748	0	0		7,248
	<b>LEARNING DISABILITIES &amp; MENTAL HEALTH TOTAL</b>		<b>2,661</b>	<b>3,575</b>	<b>5,377</b>	<b>2,748</b>	<b>0</b>	<b>0</b>		<b>11,700</b>
<b>ADULT SOCIAL CARE OPERATION</b>										
	Adults Social Care Operation - AT IT	G/B	91	0	0	0	0	0		0
	Carephones - Digital Switchover	B	33	235	0	0	0	0		235
	Carefirst System Replacement	B	320	0	0	0	0	0		0
	<b>ADULT SOCIAL CARE OPERATION TOTAL</b>		<b>444</b>	<b>235</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>235</b>
<b>ADULTS &amp; HEALTH TOTAL</b>			<b>3,180</b>	<b>4,223</b>	<b>8,424</b>	<b>3,031</b>	<b>0</b>	<b>0</b>		<b>15,678</b>

GENERAL FUND CAPITAL PLAN			Outturn	Capital Plan inclusive of Rollover					
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>PLACE</b>									
<b>SKILLS &amp; REGENERATION</b>									
<b>Business Economy</b>									
	Start Up & Retention Policy Grants	B	50	200	200	148	0	0	548
	UKSPF E19 HWI (Health & Wellbeing Incubator) Thrive	G	32	0	0	0	0	0	0
	Leeds City Region Revolving Fund	B	0	0	0	526	0	0	526
	West Yorkshire Investment Zones	G	97	889	0	0	0	0	889
	<b>Business Economy Total</b>		<b>179</b>	<b>1,089</b>	<b>200</b>	<b>674</b>	<b>0</b>	<b>0</b>	<b>1,963</b>
<b>Major Projects</b>									
West Yorkshire plus Transport Schemes:									
	A62 to Cooper Bridge Corridor Improvements	G	745	985	4,043	5,648	10,826	20,067	41,569
	A653 Leeds to Dewsbury Corridor (M2D2L)	G	17	5	0	0	0	0	5
	A641 Bradford Rd - Bradford/Brighouse/Huddersfield	C	13	146	0	0	0	0	146
	A629 Halifax Road Phase 5	G/C	582	2,363	3,611	327	196	3,130	9,627
	UTMC Urban Traffic Management	G	9	29	0	0	0	0	29
	Huddersfield Southern Corridors	G	1,115	2,398	3,654	302	22	95	6,471
Corridor Improvement Programme:									
	Holmfirth Town Centre Access Plan	G	2,028	3,571	407	2,180	0	88	6,246
	A62 Smart Corridor	G	797	272	1,049	0	0	0	1,321
	Fenay Lane	G	80	74	0	0	0	0	74
	CityConnect Cooper Bridge	G	1	2	0	0	0	0	2
	Hudds Station Gateway Phase 1	G	146	120	12	0	0	0	132
	<b>West Yorkshire plus Transport Schemes</b>	<b>T</b>	<b>5,533</b>	<b>9,965</b>	<b>12,776</b>	<b>8,457</b>	<b>11,044</b>	<b>23,380</b>	<b>65,622</b>

# Multi-Year Capital Plan

# Appendix 4b

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover						
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000	
<b>PLACE</b>										
<b>Major Projects</b>										
Transforming Cities Fund:										
Huddersfield/Dewsbury Rail Station Access			0	440	0	0	0	0	0	440
<i>TCF Main scheme:</i>										
Heckmondwike Bus Station		G	1,841	6,614	26	13	0	42		6,695
Dewsbury/Cleckheaton Sust Travel Corridor		G	910	6,797	1,701	0	50	0		8,548
Dews TC Walking & Cycling Imps		G/B	705	2,306	7,851	0	0	100		10,257
Huddersfield Rail Station Connections		G/B	605	5,254	11,372	0	0	0		16,626
A629 Wakefield Rd Sust Travel Corridor		G	17	6	0	0	0	0		6
Huddersfield Bus Station		G/B	315	2,505	4,451	0	0	0		6,956
Dewsbury/Batley/Tingley Sus Travel Corridor		G	419	973	7,009	11	0	30		8,023
Transforming Cities Fund		T	<b>4,812</b>	<b>24,895</b>	<b>32,410</b>	<b>24</b>	<b>50</b>	<b>172</b>		<b>57,551</b>
Emergency Active Travel		G	1,003	1,795	376	7	0	0		2,178
Integrated Transport & Active Travel		G/S106	104	633	0	0	0	0		633
Flood Management and Land Drainage		B/G /S278	283	446	200	200	200	0		1,046
Transpennine Route Upgrade (Network Rail)		G	598	20	0	0	0	0		20
Penistone Line Rail Upgrade		G	0	1,446	10,000	19,054	9,500	7,917		47,917
Dalton/Deighton Cycle Track (CRSTS)		G	68	1,532	1,174	0	0	0		2,706
A62 - A644 Bus Priority Scheme (CRSTS)		G	89	1,126	3,641	0	0	0		4,767
Mass Transit		G	8	0	0	0	0	0		0

# Multi-Year Capital Plan

# Appendix 4b

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover					Total £'000
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	
<b>PLACE</b>									
	Trees for Climate:								
	White Rose Forest Tree Planting	G	5	14	0	0	0	0	14
	Trees for Climate	G	7,332	7,000	2,500	3,000	7,000	4,729	24,229
	Urban Tree Challenge Fund	G	57	160	34	0	0	0	194
	Northern Forest GA2	G	836	1,050	200	200	89	0	1,539
	Trees for Climate	T	8,230	8,224	2,734	3,200	7,089	4,729	25,976
	<b>Major Projects Total</b>		<b>20,728</b>	<b>50,082</b>	<b>63,311</b>	<b>30,942</b>	<b>27,883</b>	<b>36,198</b>	<b>208,416</b>
<b>EMPLOYMENT &amp; SKILLS</b>									
	UKSPF Digital Hub / New to English	G	52	0	0	0	0	0	0
	<b>Employment &amp; Skills Total</b>		<b>52</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>SKILLS &amp; REGENERATION TOTAL</b>		<b>20,959</b>	<b>51,171</b>	<b>63,511</b>	<b>31,616</b>	<b>27,883</b>	<b>36,198</b>	<b>210,379</b>
<b>DEVELOPMENT</b>									
<b>HOUSING GROWTH</b>									
	Dewsbury Riverside	B	66	934	1,000	2,000	500	1,500	5,934
	Site Development:								
	Homes England - Soothill Development	G/Cont	26	27	117	0	0	0	144
	Bradley Park	R	23	1,475	0	0	0	0	1,475
	Highmoor Lane, Heartshead	G	25	1,438	0	0	0	0	1,438
	Site Development	T	74	2,940	117	0	0	0	3,057



GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover						
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000	
<b>PLACE</b>										
<b>TOWN CENTRES</b>										
	Aspirational Regeneration of Major Town Centres - Feasibility	B	0	5	0	0	0	0	0	5
	<i>Regeneration of Strategic Town Centres - Huddersfield :</i>									
	Holding pot	B	0	80	0	0	0	0	0	80
	<u>Huddersfield Town Centre Schemes</u>									
	Huddersfield TC - Shop Front Grants	B	27	688	0	0	0	0	0	688
	The Northumberland Street Regeneration Project	B	0	558	0	0	0	0	0	558
	Huddersfield Open Market Regeneration Market	G	612	2,200	10,000	3,838	0	0	0	16,038
	Huddersfield Town Centre Maintenance Schemes	B	6	20	0	0	0	0	0	20
	Cultural Interventions - Growing Seeds	B	0	9	0	0	0	0	0	9
	Huddersfield Town Centre Schemes	T	645	3,475	10,000	3,838	0	0	0	17,313
	<u>Heritage Action Zone</u>									
	The George Hotel HAZ Scheme	G	134	0	0	0	0	0	0	0
	The George Hotel	B*	831	8,950	13,000	7,048	0	0	0	28,998
	Estate Buildings HAZ Scheme	G	224	0	0	0	0	0	0	0
	Heritage Action Zone	T	1,189	8,950	13,000	7,048	0	0	0	28,998
	<u>Huddersfield Public Realm Works</u>									
	New Street Public Realm Development	B	369	134	0	0	0	0	0	134
	Huddersfield Town Centre Cameras	B	27	41	0	0	0	0	0	41
	Refurb of 2 New Street, Huddersfield	B	0	16	0	0	0	0	0	16
	Huddersfield Public Realm Works	T	396	191	0	0	0	0	0	191

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover					Total £'000
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	
<b>PLACE</b>									
	<u>Public Realm - Golden Route</u>								
	St Peters Gardens	B/G	358	142	0	0	0	0	142
	Church St Design Development	B	2	5	0	0	0	0	5
	Church Street Main Scheme	B	11	19	0	0	0	0	19
	Market Place Investigative Works	B	9	34	0	0	0	0	34
	Cross Church Street	B	5	29	0	0	0	0	29
	St Georges Hotel Improvements	B	12	73	0	0	0	0	73
	Public Realm - Golden Route	T	397	302	0	0	0	0	302
	Huddersfield Town Centre Action Plan	T	2,627	12,998	23,000	10,886	0	0	46,884
	<i>Regeneration of Strategic Town Centres – Dewsbury:</i>								
	<u>Better Spaces Strategy</u>								
	BS Phase 2 - Town Park	B/R/G	966	2,160	3,119	0	0	0	5,279
	Spring Upgrade	G	4	88	0	0	0	0	88
	Better Spaces Strategy	T	970	2,248	3,119	0	0	0	5,367
	Heritage Action Zone	B/G	1,435	1,628	0	0	0	0	1,628
	Daisy Hill Neighbourhood	B/R/G	37	544	980	1,800	0	0	3,324
	Dewsbury Market Upgrade	B/R/G	1,309	8,315	9,758	0	0	0	18,073
	The Arcade	B/R/G	2,530	4,063	0	0	0	0	4,063
	Construction Skills Village	G/R	291	1,934	0	0	0	0	1,934
	Creative Culture	G		1,560	0	0	0	0	1,560

# Multi-Year Capital Plan

# Appendix 4b

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover						
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000	
<b>PLACE</b>										
	Sustainable Transport	G	607	607	0	0	0	0	0	607
	Building Revival	G/B	26	2,372	738	0	0	0	0	3,110
	Dewsbury Town Centre Action Plan	T	7,205	23,271	14,595	1,800	0	0	0	39,666
	Town Centre Action Plans	T	9,832	36,274	37,595	12,686	0	0	0	86,555
	Regeneration and Greening of Smaller Towns and Villages / Local Centres:									
	Smaller Towns & Villages	B	0	365	1,000	1,000	1,480	0	0	3,845
	Batley Smaller Towns & Villages	B/G	782	1,810	7,068	4,298	0	0	0	13,176
	Cleckheaton Smaller Towns & Villages	B	33	1,427	0	0	0	0	0	1,427
	Holmfirth Smaller Towns & Villages	B	254	203	1,054	0	0	0	0	1,257
	Heckmondwike Smaller Towns & Villages	B/G	212	448	0	0	0	0	0	448
	Marsden New Mills Redevelopment Scheme	G	61	1,100	4,294	0	0	0	0	5,394
	Other - Our Local Centres	B/G	0	149	0	0	0	0	0	149
	Regeneration and Greening of Smaller Towns and Villages	T	1,342	5,502	13,416	5,298	1,480	0	0	25,696
	Cultural Heart	B	10,546	50,400	38,095	31,774	16,063	55,574	55,574	191,906
	Strategic Acquisition Fund	B	793	404	400	0	0	0	0	804
	<b>Town Centres Total</b>	<b>T</b>	<b>22,513</b>	<b>92,580</b>	<b>89,506</b>	<b>49,758</b>	<b>17,543</b>	<b>55,574</b>	<b>55,574</b>	<b>304,961</b>
	<b>DEVELOPMENT TOTAL</b>	<b>T</b>	<b>35,328</b>	<b>112,995</b>	<b>106,468</b>	<b>66,032</b>	<b>30,493</b>	<b>70,025</b>	<b>70,025</b>	<b>386,013</b>

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover					Total £'000
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	
<b>PLACE</b>									
<b>HIGHWAYS &amp; STREETSCENE</b>									
Highways									
Maintenance:									
Principal Roads		B/G	3,155	5,383	6,678	3,678	3,678	3,678	23,095
Roads Connecting Communities		G	2,032	1,618	1,096	1,097	1,096	1,096	6,003
Local Community Roads		B/G	7,656	8,062	4,260	6,203	8,185	9,753	36,463
Structures		G	1,271	1,129	1,200	1,200	1,200	1,200	5,929
Active Travel / PROW		B/G	226	171	105	156	156	157	745
Streetlighting		G	1,284	716	1,000	0	0	0	1,716
Locality Based U Roads Improvements		B	3,546	0	0	0	0	0	0
Highways Maintenance		T	19,170	17,079	14,339	12,334	14,315	15,884	73,951
Integrated Transport:									
Network Management		G/s278	1,275	1,116	715	715	715	715	3,976
Safer Roads		B/G/S106	1,434	1,887	1,235	1,185	1,190	1,175	6,672
Flood Management and Drainage Improvements		B	261	239	250	250	250	250	1,239
Developer Funded Schemes		s278	1,579	1,337	0	0	0	0	1,337
UKSPF CCTV		G	30	489	0	0	0	0	489
Highways Integrated Transport		T	4,579	5,068	2,200	2,150	2,155	2,140	13,713
Highways Total		T	23,749	22,147	16,539	14,484	16,470	18,024	87,664
Car Park Meters		B	268	235	241	0	0	0	476
Public Realm Improvements		B	0	19	0	0	0	0	19
OSAMS		B	195	638	766	110	0	0	1,514



# Multi-Year Capital Plan

# Appendix 4b

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover					Total £'000
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	
<b>PLACE</b>									
	Play Strategy:								
	Playable Spaces	B/ S106/ C	830	1,316	1,478	1,743	1,029	0	5,566
	Parks & Greenspaces	G/B	119	152	26	0	0	0	178
	Section 106 Funded Schemes	B/ S106	1,010	1,008	602	23	0	0	1,633
	Play Strategy	T	1,959	2,476	2,106	1,766	1,029	0	7,377
	<b>HIGHWAYS &amp; STREETSCENE TOTAL</b>		<b>28,951</b>	<b>38,801</b>	<b>33,799</b>	<b>20,354</b>	<b>19,531</b>	<b>35,923</b>	<b>148,408</b>
	<b>ENVIRONMENT STRATEGY &amp; CLIMATE CHANGE</b>								
	Climate Emergency - Green Travel	B/G	137	299	282	229	0	0	810
	Air Quality	B/G	77	177	169	0	0	0	346
	Huddersfield Heat Network	G/B *	515	485	11,126	3,600	0	2,050	17,261
	Electric Vehicle Rapid Charge Points	G	3	273	0	0	0	0	273
	<b>ENVIRONMENT STRATEGY &amp; CLIMATE CHANGE TOTAL</b>		<b>732</b>	<b>1,234</b>	<b>11,577</b>	<b>3,829</b>	<b>0</b>	<b>2,050</b>	<b>18,690</b>
	<b>PLACE TOTAL</b>		<b>85,971</b>	<b>204,201</b>	<b>215,355</b>	<b>121,831</b>	<b>77,907</b>	<b>144,196</b>	<b>763,490</b>

GENERAL FUND CAPITAL PLAN		Funding	Outturn	Capital Plan inclusive of Rollover					Total £'000
			2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	
<b>PUBLIC HEALTH &amp; CORPORATE RESOURCES</b>									
<b>STRATEGY &amp; INNOVATION</b>									
	Information Technology	B	1,486	1,736	1,306	1,246	1,116	900	6,304
	Transformation Capitalisation	R	5,516	6,000	0	0	0	0	6,000
	Investment and Modernisation Fund	B*	0	10,000	10,000	10,000	10,000	10,000	50,000
<b>STRATEGY &amp; INNOVATION TOTAL</b>			<b>7,002</b>	<b>17,736</b>	<b>11,306</b>	<b>11,246</b>	<b>11,116</b>	<b>10,900</b>	<b>62,304</b>
<b>SERVICE DIRECT REPORTS – PUBLIC HEALTH</b>									
	Leisure Facilities	B	67	0	0	0	0	0	0
<b>SERVICE DIRECT REPORTS – PUBLIC HEALTH TOTAL</b>			<b>67</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CULTURE &amp; VISITOR ECONOMY</b>									
	Sustainability of Major Town Halls - Service Development	B*	54	157	0	0	0	0	157
	Cliffe House Playground	B	0	250	0	0	0	0	250
	School Catering	B/B*	397	448	300	340	400	200	1,688
	Bereavement	B	138	257	200	50	0	0	507
<b>CULTURE &amp; VISITOR ECONOMY TOTAL</b>			<b>589</b>	<b>1,112</b>	<b>500</b>	<b>390</b>	<b>400</b>	<b>200</b>	<b>2,602</b>
<b>PUBLIC HEALTH &amp; CORPORATE RESOURCES TOTAL</b>			<b>7,658</b>	<b>18,848</b>	<b>11,806</b>	<b>11,636</b>	<b>11,516</b>	<b>11,100</b>	<b>64,906</b>
<b>GENERAL FUND CAPITAL PLAN TOTAL</b>			<b>105,641</b>	<b>252,999</b>	<b>265,158</b>	<b>158,108</b>	<b>93,250</b>	<b>158,046</b>	<b>927,561</b>

# Multi-Year Capital Plan

# Appendix 4b

		Outturn	Capital Plan inclusive of Rollover					
HOUSING REVENUE ACCOUNT CAPITAL PLAN	Funding	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30- 2031/32 £'000	Total £'000
<b>Strategic Priorities</b>								
Housing Growth	H / R	777	1,600	1,750	0	0	0	3,350
LAHF - Refugee Housing	H / G	1,269	330	0	0	0	0	330
LAHF 3 - Refugee Housing	H / G		1,582	323	0	0	0	1,905
New Build Phase 1 - Ashbrow Extra Care	R	3,649	304	0	0	0	0	304
Berry Brow Remodelling	H/G/B	1,363	1,000	7,500	20,000	5,278	0	33,778
Harold Wilson Court	H	2,201	187	0	0	0	0	187
Buxton House	H	2,102	640	7,340	4,900	14	0	12,894
IT System (Universal Housing Replacement)	H	466	873	0	0	0	0	873
IT System Property/Assets	H	104	700	696	0	0	0	1,396
Council House Building	R/G/H	1,238	693	5,671	8,500	13,100	9,001	36,965
<b>Strategic Priorities Total</b>		<b>13,169</b>	<b>7,909</b>	<b>23,280</b>	<b>33,400</b>	<b>18,392</b>	<b>9,001</b>	<b>91,982</b>
<b>Baseline</b>								
Housing Capital Plan	H/B/G	15,230	21,975	19,285	19,785	19,785	63,295	144,125
Estate Improvements (Neighbourhood Investment)	H/B	536	1,574	1,100	1,100	1,100	3,329	8,203
Building Safety	H/B	498	1,770	1,667	1,530	1,430	4,118	10,515
Six Storey Blocks	H/B/G	604	4,100	6,000	5,420	6,295	15,096	36,911
Low Rise Blocks	H/B	0	3,250	1,500	1,500	1,500	0	7,750
Retirement Living Schemes	H/B	84	700	5,616	4,500	4,500	9,600	24,916
Fuel poverty	H/G/B	861	1,685	1,500	1,500	1,500	5,113	11,298
Adaptations	H	3,980	4,400	3,260	1,854	0	0	9,514
<b>Baseline Total</b>		<b>21,793</b>	<b>39,454</b>	<b>39,928</b>	<b>37,189</b>	<b>36,110</b>	<b>100,551</b>	<b>253,232</b>
<b>HRA CAPITAL PLAN TOTAL</b>		<b>34,962</b>	<b>47,363</b>	<b>63,208</b>	<b>70,589</b>	<b>54,502</b>	<b>109,552</b>	<b>345,214</b>

**FUNDING KEY:**

- B = Borrowing
- B\* = Service funded Borrowing
- B\*\* = Borrowing for provision of loans for development projects, covered by repayments
- G = Grant
- Cont = External contributions
- R = Capital receipts
- S106 = Section 106 developer contributions
- S278 = Section 278 developer contributions
- H = HRA revenue contribution/major repairs reserve
- \* = Addition

**Report title:** Annual Report on Treasury Management 2024/25

<b>Meeting:</b>	<b>Corporate Governance and Audit Committee</b>
<b>Date:</b>	<b>20 June 2025</b>
<b>Cabinet Member (if applicable)</b>	<b>Councillor Graham Turner</b>
<b>Key Decision Eligible for Call In</b>	<b>Yes Yes</b>
<b>Purpose of Report</b> The report to this committee reviews borrowing and investment 2024/25 performance before it is considered by Cabinet and Council.	
<b>Recommendations</b> Corporate Governance and Audit Committee are asked to note the treasury management performance in 2024/25 as set out in this report, prior to its submission to Cabinet and Council.	
<b>Reasons for Recommendations</b> Financial Procedure Rules (Section 9.5) require that the Council receives an annual report on Treasury Management activities for the previous financial year.	
<b>Resource Implications:</b> There are no additional resource implications required as part of this report as it relates to Treasury Management activities undertaken in 24/25.	
<b>Date signed off by <u>Executive Director</u> &amp; name</b>  <b>Is it also signed off by the Service Director for Finance?</b>  <b>Is it also signed off by the Service Director for Legal Governance and Commissioning?</b>	<b>N/A</b>  <b>Kevin Mulvaney – 05/06/2025</b>  <b>Sam Lawton –05/06/2025</b>

**Electoral wards affected:** N/A

**Ward Councillors consulted:** N/A

**Public or private:** Public

Have you considered GDPR: Yes – there is no personal data within the budget details and calculations set out in this report and accompanying Appendices

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## 1. Executive Summary

- 1.1 The Council's treasury management operation for the year has followed the strategy approved by Council on 6 March 2024 (see paragraph 2.1.4 below).
- 1.2 The treasury management budget underspent by £0.8m against a budget of £27.9m. The variations in the budget are summarised below:-

	Budget (£m)	Actual (£m)	Variation (£m)
Interest payable	25.7	26.5	0.8
Investment income	(2.1)	(4.7)	(2.6)
MRP	4.3	5.3	1.0
<b>Total</b>	<b>27.9</b>	<b>27.1</b>	<b>(0.8)</b>

During the year interest costs increased due to rising interest rates on the back on increased gilt yields, and the amount and timing of borrowing compared to budget assumptions. The increased interest costs have been offset by gains on investment income along with slippage in the capital plan.

- 1.3 The Council complied with its treasury management prudential indicators in the year (see Appendix 5).
- 1.4 Investments averaged £64.5 million and were largely deposited in instant access accounts earning an average interest rate of 4.86%.
- 1.5 Total external borrowing at 31 March 2025 increased by £66.7 million to £774.0 million (£707.3 million as at 31 March 2024). This was in line with expectations and planned borrowing as per forecasted update. The Council took £98.0 million new Government long term loans from the Public Works Loan Board (PWLB) (see paragraph 2.6.4 for more detail) and an additional £25.0 million Local Authority medium term 2 to 3 year loans (see paragraph 2.6.5 for more detail).
- 1.6 The large increase in long term loans was a result of borrowing for the capital plan, re-financing existing borrowing maturing during the year and a reduction in internal borrowing.
- 1.7 The Council fixed rate loans account for 95.71% of total long-term debt (see paragraph 2.6.6) which gives the Council stability in its interest costs and minimising exposure to fluctuating short term rates.

## 2 Information required to take a decision

### 2.1 Introduction

- 2.1.1 The Council has adopted the CIPFA Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi-annual and annual outturn reports. The

Council operates its treasury management service in compliance with this Code and various statutory requirements.

- 2.1.2 This report includes the requirement in the 2021 Code, mandatory from 1st April 2023, of reporting of the treasury management prudential indicators. The non-treasury prudential indicators are incorporated in the Council's normal revenue and capital monitoring report.
- 2.1.3 Financial Procedure Rules require that the Council receives an annual report on Treasury Management activities for the year. Cabinet is responsible for the implementation and monitoring of the treasury management policies. Corporate Governance and Audit Committee undertake an oversight role with regard to treasury management.
- 2.1.4 The Council's treasury management strategy for 2024/25 was approved at a meeting on 6 March 2024. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy and that borrowing is undertaken on a prudent, affordable and balanced basis.

## **2.2 The Economy and Interest Rates**

- 2.2.1 The UK economy Gross Domestic Product (GDP) grew year on year GDP growth across 2024 by 1.1%. Meanwhile quarter on quarter GDP grew by 0.7% between January and March 2025, exceeding expectations and an improvement on the 0.1% growth in the previous quarter. Based on plans outlined by the Government, the Office for Budget Responsibility downgraded its predictions for UK growth in 2025 to 1% from 2%. However, it upgraded its predictions for the four subsequent years.
- 2.2.2 UK annual Consumer Price Index (CPI) inflation continued to stay above the 2% Bank of England (BoE) target in the later part of the period. The Office for National Statistics (ONS) reported headline consumer prices at 2.6% in March 2025, down from 2.8% in the previous month and below expectations. Core CPI also remained elevated, falling slightly in March to 3.4% from 3.5% in February. The outlook for CPI inflation showed it remaining above the MPC's 2% target throughout 2025. Recent data shows inflation at 3.4% in May, It is expected to hit 3.5% by June before peaking at 3.7% in Q3 and then easing towards the end of the year, but staying above the 2% target.
- 2.2.3 The labour market continued to cool, but the ONS data still require treating with caution. Recent data showed the unemployment rate rose to 4.5% (3mth/year) in the three months to March 2025 while the economic inactivity rate fell again to 21.4%. The ONS reported pay growth over the same three-month period at 5.6% for regular earnings (excluding bonuses) and 5.5% for total earnings.
- 2.2.4 The BoE's Monetary Policy Committee (MPC) cut the bank Bank Rate to 4.25% at its May 2025 meeting, having held it in March. This follows earlier 0.25% cuts in November and August 2024 and February from the 5.25% peak. At the May MPC meeting, members voted 5-4 to maintain Bank Rate at 4.5%, with the one members preferring another a 50 basis points cut and two preferring no cut.



Table 2: Treasury Management Summary

\* different to table 1 due to trust funds in balance sheet resources in 2024/25

	<b>31.03.24 Balance £m</b>	<b>Movement £m</b>	<b>31.03.25 Balance £m</b>	<b>31.03.25 Weighted Average Rate %</b>	<b>31.03.25 Weighted Maturity Years</b>
Long-term borrowing					
PWLB	550.4	72.9	623.3	4.27	14.96
LOBOs**	30.9	0.0	30.9	4.39	0.32
Loan stock (fixed rate)	7.0	0.0	7.0	11.60	7.67
Other LT loans (fixed rate)	40.0	0.0	40.0	3.89	39.17
Other MT loans (fixed rate)	37.6	-6.2	31.4	4.62	1.46
Short-term borrowing	41.4	0.0	41.4	3.03	0.42
<b>Total borrowing</b>	<b>707.3</b>	<b>66.7</b>	<b>774.0</b>	<b>4.26</b>	<b>14.05</b>
Long-term investments	10.0	0.0	10.0	4.03	N/A
Short-term investments	0.0	18.0	18.0	4.50	N/A
Cash and cash equivalents	29.1	1.5	30.6	4.52	N/A
<b>Total investments</b>	<b>39.1</b>	<b>19.5</b>	<b>58.6</b>	<b>4.43</b>	<b>N/A</b>
<b>Net borrowing</b>	<b>668.2</b>	<b>47.2</b>	<b>715.4</b>		

\*\* included in long term due to official maturity dates however option dates used for maturity analysis

## 2.4 Investment Activity

2.4.1 The CIPFA Treasury Management Code now defines treasury management investments as those investments which arise from the Council's cash flows or treasury risk management activity that ultimately represent balances that need to be invested until the cash is required for use in the course of business.

2.4.2 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

2.4.3 The Council's overall Treasury Management Strategy prioritises security and liquidity of its investments before seeking a higher rate of return. which was adhered to in 2024/25.

2.4.4 As demonstrated by the liability benchmark in this report, the Council expects to be a long-term borrower and new treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different asset classes and boost investment income.

2.4.5 The Council's treasury management investments totalled £58.6 million as at 31 March 2025 (£39.1 million 31 March 2024). The Council invested an average balance of £64.5 million externally during the year (£59.9 million 2023/24). Interest income of £2.7 million

was generated through these investments (£2.6 million 2023/24) and £0.4 million dividend income from the CCLA Property Fund (£0.4 million 2023/24). Appendix 1 shows where investments were held at the beginning of April 2024, the end of September 2024 and the end of March 2025, by counterparty, by sector and by country. The Council's average lending rate for the year was 4.97% (5.26% 2023/24). Investments were higher than our strategy levels due to the timing of borrowing taken evenly throughout the year.

- 2.4.6 The majority of investments were placed in liquid instruments such as instant access bank deposit accounts, DMO (Debt Management Office) and Money Market Funds (MMFs). MMFs offer greater diversification of counterparties, thus lowering risk as well as instant access.
- 2.4.7 Bank Rate reduced from 5.25% to 5.00% in August 2024, again to 4.75% in November 2024 and again to 4.5% in February 2025 with short term interest rates largely being around these levels. The rates on DMADF (Debt Management Account Deposit Facility) deposits fell from a peak of 5.19% at the start of the year to 4.45% at year end. Money Market Rates also fell and were between 5.27% at the start and 4.42% at the end of year.
- 2.4.8 The Council continues to hold £10 million investment in the Local Authorities Pooled Investment Fund (LAPF). The Local Authorities Property Fund was established in 1972 and is managed by CCLA Fund Managers. As at March 2025 there are property assets under management of £1,054 million. The Fund aims to provide investors with regular revenue income and long-term price stability and it is an actively managed, diversified portfolio of UK commercial property. It principally invests in UK assets but may invest in other assets.
- 2.4.9 The fund returned a gross dividend yield of 4.28% in 2024/25 (4.40% 2023/24) and net income of £0.4 million was received by the Council in 2024/25 (£0.4 million in 2023/24).
- 2.4.10 Having had a challenging time since 2022, UK commercial property generally experienced a recovery during the period, with improved investment activity, capital values stabilising or improving, particularly towards the end of the period, and income remaining relatively robust.
- 2.4.11 Strategic fund investments are made in the knowledge that capital values will move both up and down over time. Unrealised cumulative capital losses of £1.3 million will not have an impact on the General Fund as the Council is utilising a government statutory override for pooled investment funds. Under the Regulations, gains and losses resulting from unrealised fair value movements, that otherwise must be recognised in the income and expenditure account under IFRS9, are not currently charged to the revenue account, and must be taken into an unusable reserve account.
- 2.4.12 Further to consultations in April 2023 and December 2024 MHCLG wrote to finance directors in England in February 2025 regarding the statutory override on accounting for gains and losses in pooled investment funds. On the assumption that when published regulations follow this policy announcement, the statutory override will be extended up until the 1st April 2029 for investments already in place before 1st April 2024. The override will not apply to any new investments taken out on or after 1st April 2024. The

Council's LAPF investment will therefore be covered by the extension of the override and no further investments in pooled funds are planned.

## **2.5 Borrowing Update**

- 2.5.1 CIPFA's 2021 Prudential Code is clear that Local Authorities must not borrow to invest primarily for financial return and that it is not prudent for Local Authorities to make any investment or spending decision that will increase the Capital Finance Requirement (CFR) and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to buy investment assets primarily for yield unless these loans are for refinancing purposes.
- 2.5.2 The Council has not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in the future.
- 2.5.3 Borrowing is permitted for cashflow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing is also allowed for financing capital expenditure primarily related to the delivery of a Local Authority's function.
- 2.5.4 After substantial rises in interest rates since 2021 many central banks have now begun to reduce their policy rates, albeit slowly. Gilt yields were volatile but have increased overall during the period. Much of the increase has been in response to market concerns that policies introduced by the Labour government will be inflationary and lead to higher levels of government borrowing. Changes to US related trade policies are also expected to lead to inflationary pressures.
- 2.5.4 The 10-year UK benchmark gilt yield started the period at 3.94% and ended at 4.69%, having reached a low of 3.76% in September and a high of 4.90% in January. While the 20-year gilt started at 4.40% and ended at 5.22%, hitting a low of 4.27% in September and a high of 5.40% in January.
- 2.5.5 On 31st March 2025 the PWLB certainty rates for maturity loans were 5.42% for 10-year loans, 5.91% for 20-year loans and 5.67% for 50-year loans. Their equivalents on 31st March 2024 were 4.74%, 5.18% and 5.01% respectively. The increase in long term rates, despite a drop in the base rate, reflects the premium borrowers are facing to lock in costs against such an uncertain backdrop and therefore means the Council is currently focusing on short to medium term borrowing to fund the capital plan.
- 2.5.6 For the majority of the year the cost of short-term borrowing from other local authorities closely tracked Base Rate at around 5.00% - 5.25%. However from late 2024 rates began to rise, peaking at around 6% in February and March 2025.
- 2.5.7 The PWLB HRA rate, which is 0.4% below the certainty rate, is available up to March 2026. This discounted rate is to support local authorities borrowing for the Housing Revenue Account and for refinancing existing HRA loans.

## **2.6 Borrowing Activity**

- 2.6.1 As outlined in the Treasury Strategy, the Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing lower interest costs

and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. The borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. The Council pursued its strategy of keeping borrowing and investments below their underlying levels, known as internal borrowing.

2.6.2 In terms of borrowing, long-term loans maturing greater than one year totalled £698.9 million and short-term loans maturing within 12 months (excluding interest accrued) totalled £75.2 million (£641.0 million and £66.2 million 31 March 2024), an overall increase of £66.7 million. Appendix 2 details repayments of long-term loans during the year and short-term loans outstanding as at 31 March 2025.

2.6.3 The Council has an increasing CFR due to the capital programme and an estimated borrowing requirement as determined by the Liability Benchmark (see Appendix 5), which also considers usable reserves and working capital. Having considered the appropriate duration and structure of the borrowing need based on realistic projections, it was decided to take a combination of short-term borrowing and longer-term repayment loans.

2.6.4 The Council borrowed £98.0 million of new long-term Equal Installment of Principal (EIP) and 2 maturity loans from the PWLB in 2024/25. The borrowing was taken throughout the year, in small regular amounts, as agreed with our treasury advisors.

	Amount £m	Rate %	Duration	Start date	Maturity date
<b>EIP Loans</b>					
PWLB (739810)	20.00	4.67%	12 Years	28/06/2024	28/06/2036
PWLB (751915)	10.00	4.37%	11 Years	12/08/2024	12/08/2035
PWLB (759388)	5.00	4.52%	12 Years	12/09/2024	12/09/2036
PWLB (778241)	5.00	5.00%	9 years 6 months	26/11/2024	26/05/2034
PWLB (779247)	5.00	4.95%	8 Years	29/11/2024	29/11/2032
PWLB (785403)	5.00	4.91%	8 Years	23/12/2024	16/12/2032
PWLB (794097)	6.00	5.05%	6 Years	24/01/2025	24/01/2031
PWLB (795087)	5.00	5.01%	6 Years	29/01/2025	29/01/2031
PWLB (797366)	5.00	4.95%	5 years 6 months	06/02/2025	06/08/2030
PWLB (799800)	6.00	4.79%	5 years 6 months	13/02/2025	13/08/2030
PWLB (808715)	5.00	4.85%	5 years 6 months	17/03/2025	17/03/2030
<b>Maturity Loans</b>					
PWLB (790915)	10.00	5.13%	2 Years 3 Months	15/01/2025	15/04/2027
PWLB (804153)	11.00	5.07%	5 years 2 months	28/02/2025	06/05/2030
<b>Total</b>	<b>98.0</b>				

An EIP loan pays back principal over the life of the loan, and the interest associated with the loan goes down as the principal outstanding reduces, the maturity date above refers to the final principal repayment.

2.6.5 Over the period the Council took advantage of a limited amount of medium-term loans over a 2 to 3 year time frame from other authorities. The table below shows £25.0 million of new loans taken during 2024/25, there are further medium term loans totalling £45.0 million taken previous years still outstanding at 31 March 2025.

	<b>Amount £m</b>	<b>Rate %</b>	<b>Start date</b>	<b>Maturity date</b>
Oxfordshire County Council	5.0	5.00	17/04/2024	17/03/2027
Cambridgeshire & Peterborough Combined Authority	5.0	4.70	06/08/2024	06/08/2026
Elmbridge Borough Council	5.0	4.50	13/09/2024	14/09/2026
South Yorkshire Mayoral Combined Authority	10.0	4.50	15/10/2024	15/10/2027
<b>Total</b>	<b>25.0</b>			

- 2.6.6 Fixed rate loans account for 95.71% of total long-term debt (see also Appendix 5) giving the Council stability in its interest costs. The maturity profile for all long-term loans is shown in Appendix 3 and shows that no more than 13.59% of all debt is due to be repaid in any one year (9.71% excluding LOBO's). This is good practice as it reduces the Council's exposure to a substantial borrowing requirement in any one particular future year, when interest rates might be at a relatively high level.
- 2.6.7 The primary source of the Council's borrowing is from the Governments PWLB representing 80.64% of total external borrowing.
- 2.6.8 The Council continues to hold £30.8 million of LOBO loans which represents 3.88% of total external borrowing. LOBO loans are where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost.
- 2.6.9 In terms of debt rescheduling, the premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the Council's portfolio and therefore unattractive for debt rescheduling activity in 2024/25.
- 2.6.10 The average borrowing rate for 2024/25 for the Council's outstanding debt was 4.26% (4.07% 2023/24).

## **2.7 Trends in Treasury Management Activity**

- 2.7.1 Appendix 4 shows the Council's borrowing and investment trends over the last 7 years. This highlights the current trend of borrowing shorter and longer term to fund cashflow.

## **2.8 Risk and Compliance Issues**

- 2.8.1 The Council reports that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy, including the prudential indicators. Details can be found in Appendix 5. Indicators relating to affordability and prudence are highlighted in this appendix.
- 2.8.2 When the Council has received unexpected monies late in the day, officers have no alternative but to put the monies into an overnight Reserve Account. The largest daily amount deposited in this account overnight as a result of unexpected late receipts was £1.3 million. Whilst this is not an ideal situation, the Council is still within investment limits as per the Treasury Management Strategy which is set at £10.0 million per counterparty.

2.8.3 The Council is aware of the risks of passive management of the treasury portfolio and, with the support of the Council's consultants (Arlingclose), has proactively managed the debt and investments over the year.

2.8.4 The CIPFA Code of Practice requires that treasury management performance be subject to regular member scrutiny. The Corporate Governance and Audit Committee performs this role and members have received reports on strategy, half yearly monitoring and now the outturn for the year 2024/25. Training was provided to Members in January 2025.

### **Looking Ahead – Treasury Management Developments in 2025/26**

#### **2.9 Re-financing/re-payment of current Long-Term Borrowing**

2.9.1 As outlined within the Council approved Treasury Management Strategy 2025/26, the Council will continue to look to repay existing long-term debt when the opportunity arises where it becomes beneficial for the Council to do so.

2.9.2 Council officers will liaise with the Council's external Treasury Management advisors, Arlingclose, to review lender options, and proceed if they are considered to be in the longer-term best interests of the Council.

#### **2.10 Loan Funding Sources**

2.10.1 The Council may be presented with additional sources of long-term funding at certain points in time, beyond those currently listed in the Council's current Treasury Management Strategy. These may be at preferential rates of interest and therefore the Service Director Finance (Section 151 Officer) will look to maximise the use of source funds when it is preferential to do so.

#### **2.11 Investment Opportunities**

2.11.1 The Service Director Finance, supports the approach that the borrowing and investment strategy for 2025/26 continues to place emphasis on the security and liquidity of the Council's balances.

2.11.2 The investment in the CCLA property fund (see paragraphs 2.4.5 to 2.4.9) is part of a longer-term investment strategy to mitigate against any short-term market volatility or risk. As this fund has no defined maturity date its performance and continued suitability in meeting the Council's investment objectives is regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a longer period total returns will exceed cash interest rates.

#### **2.12 New Borrowing**

2.12.1 As mentioned previously, the Council has an increasing CFR due to the capital programme. The Council's current approach to fund the capital plan is to use a combination of short and longer-term borrowing. Unfortunately borrowing rates remain high and are likely to stay high in the near term. As short and medium-term rates remain slightly lower over a shorter time frame compared to longer-term, the Council will continue

to borrow this way to minimise borrowing costs, although resulting in a higher proportion of debt that is not fixed over longer periods.

2.12.2 As noted, Arlingclose expect the base rate to fall to 3.75% during 25/26. Long-term PWLB loans will be taken if gilt yields drop and the opportunity to take those fixed rate loans are presented.

2.12.3 The Council's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of short and long-term borrowing will be maintained considering the appropriate duration and structure of the borrowing need based on realistic projections, and with ongoing consultation with Arlingclose.

2.12.4 As noted in the 2025/26 Treasury Management Strategy report, the Council will also consider the opportunity to arrange forward starting loans (with alternative lenders as these are not available through the PWLB), where the interest rate is fixed in advance but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period. Again, this would only be undertaken after having considered the appropriate duration and structure of the borrowing need based on realistic projections, and with ongoing consultation with Arlingclose.

### **3 Implications for the Council**

#### **3.1 Council Plan**

N/A

#### **3.2 Financial Implications**

Any changes in assumed borrowing and investment requirements, balances and interest rates will be reflected in revenue budget monitoring reports during the year.

#### **3.3 Legal Implications**

N/A

#### **3.4 Climate Change and Air Quality**

N/A

#### **3.5 Other (e.g. Risk, Integrated Impact Assessment or Human Resources)**

N/A

### **4 Consultation**

N/A

### **5. Engagement**

N/A

### **6. Options**

#### **6.1 Options considered**

N/A

#### **6.2 Reasons for recommended option**

N/A



**APPENDIX 1**

Kirklees Council Investments 2024/25											
Counterparty	Credit Rating Mar 2025*	01-Apr-24				30-Sep-24			31-Mar-25		
		£m	Interest Rate	Type of Investment	£m	Interest Rate	Type of Investment	£m	Interest Rate	Type of Investment	
<b>Specified Investments</b>											
Barclays	Bank	F1/A+	0	4.65%	Instant Access	0	4.40%	Instant Access	0.8	3.90%	Instant Access
Aberdeen Standard	MMF**	AAAmf	9.8	5.27%	Instant Access	8.2	5.01%	Instant Access	9.9	4.53%	Instant Access
Aviva	MMF**	Aaa-mf	9.9	5.25%	Instant Access	10	5.01%	Instant Access	10	4.57%	Instant Access
Deutsche	MMF**	AAAmf	9.4	5.25%	Instant Access	6.6	5.00%	Instant Access	9.9	4.53%	Instant Access
Goldman Sachs	MMF**	AAAmf	0	5.14%	Instant Access	0	4.92%	Instant Access	0	4.43%	Instant Access
Crawley Borough Council	Local Authority		0	N/A	Local Authority	5	5.00%	Local Authority	0	N/A	Local Authority
London Borough of Waltham Forest	Local Authority		0	N/A	Local Authority	5	5.00%	Local Authority	0	N/A	Local Authority
Leeds City Council	Local Authority		0	N/A	Local Authority	5	5.00%	Local Authority	0	N/A	Local Authority
West Northamptonshire Council	Local Authority		0	N/A	Local Authority	5	5.00%	Local Authority	0	N/A	Local Authority
Debt Management Office	Cent Govt		0	N/A	Cent Govt	0	N/A	Cent Govt	18	4.50%	Cent Govt
CCLA	Property Fund		10	N/A	Property Fund	10	N/A	Property Fund	10	N/A	Property Fund
			<b>39.1</b>			<b>54.8</b>			<b>58.6</b>		
<b>Sector Analysis</b>			<b>£m</b>	<b>%age</b>		<b>£m</b>	<b>%age</b>		<b>£m</b>	<b>%age</b>	
Bank			0	0%		0	0%		0.8	1%	
MMF**			29.1	74%		24.8	45%		29.8	51%	
Local Authorities/Cent Govt			0	0%		20	36%		18	31%	
Property Fund			10	26%		10	18%		10	17%	
			<b>39.1</b>	<b>100%</b>		<b>54.8</b>	<b>100%</b>		<b>58.6</b>	<b>100%</b>	
<b>Country analysis</b>			<b>£m</b>	<b>%age</b>		<b>£m</b>	<b>%age</b>		<b>£m</b>	<b>%age</b>	
UK			10	26%		30	55%		28.8	49%	
MMF**			29.1	74%		24.8	45%		29.8	51%	
			<b>39.1</b>	<b>100%</b>		<b>54.8</b>	<b>100%</b>		<b>58.6</b>	<b>100%</b>	

\*Fitch short/long term ratings, except Aviva MMF (highest Moody rating). See next page for key. \*\* MMF – Money Market Fund. These funds are domiciled in Ireland for tax reasons, but the funds are made up of numerous diverse investments with highly rated banks and other institutions. The credit risk is therefore spread over numerous countries, including the UK. The exception to this is the Aviva Government Liquidity Fund which invests directly in UK government securities and in short-term deposits secured on those securities.

**Key – Fitch’s credit ratings:**

		<b>Long</b>	<b>Short</b>
Investment Grade	Extremely Strong	AAA	F1+
	Very Strong	AA+	
		AA	
	Strong	AA-	F1
		A+	
		A	
	Adequate	A-	F2
		BBB+	
		BBB	F3
BBB-			
Speculative Grade	Speculative	BB+	B
		BB	
		BB-	
	Very Speculative	B+	
		B	
		B-	
	Vulnerable	CCC+	C
		CCC	
		CCC-	
		CC	
C			
Defaulting	D	D	

**Long-term loans repaid and short-term loans outstanding 31 March 2025**

**Long-term loans repaid during 2024/25**

	<b>Amount £000s</b>	<b>Rate %</b>	<b>Date repaid</b>
<b>Repayments on maturity loans</b>			
Crawley Borough Council	5,000	0.50	02/04/2024
Leicester City Council	5,000	0.75	12/04/2024
Vale of White Horse District Council	5,000	0.80	18/03/2025
<b>Repayments on annuity loans</b>			
PWLB (496956)	432	4.58	02/04/2024
PWLB (496956)	442	4.58	29/09/2024
PWLB (496956)	452	4.58	29/03/2025
<b>Repayments on EIP loans</b>			
PWLB (674705)	333	5.02	15/04/2024
PWLB (711011)	2,000	5.42	15/04/2024
PWLB (340221)	250	1.63	27/04/2024
PWLB (439173)	250	1.66	17/05/2024
PWLB (677193)	333	4.85	22/05/2024
PWLB (680811)	833	4.83	06/06/2024
PWLB (685435)	769	4.59	20/06/2024
PWLB (685834)	769	4.37	21/06/2024
PWLB (373440)	250	1.46	12/07/2024
PWLB (643579)	278	5.01	29/07/2024
PWLB (594601)	500	4.10	31/07/2024
PWLB (594848)	536	3.99	01/08/2024
PWLB (538379)	500	2.60	09/08/2024
PWLB (487385)	250	2.28	21/08/2024
PWLB (313112)	250	1.64	04/09/2024
PWLB (493145)	250	1.98	09/09/2024
PWLB (711013)	385	4.75	13/09/2024
PWLB (712740)	357	4.59	19/09/2024
PWLB (713074)	357	4.64	20/09/2024
PWLB (608189)	667	4.15	21/09/2024
PWLB (659904)	333	5.06	23/09/2024
PWLB (660447)	333	5.08	23/09/2024
PWLB (661522)	357	5.00	27/09/2024
PWLB (674705)	333	5.02	14/10/2024
PWLB (711011)	2,000	5.42	14/10/2024

PWLB (340221)	250	1.63	27/10/2024
PWLB (439173)	250	1.66	17/11/2024
PWLB (677193)	333	4.85	22/11/2024
PWLB (680811)	833	4.83	06/12/2024
PWLB (685435)	769	4.59	20/12/2024
PWLB (685834)	769	4.37	23/12/2024
PWLB (739810)	833	4.67	30/12/2024
PWLB (373440)	250	1.46	13/01/2025
PWLB (643579)	278	5.01	27/01/2025
PWLB (594601)	500	4.10	31/01/2025
PWLB (594848)	536	3.99	01/02/2025
PWLB (538379)	500	2.60	09/02/2025
PWLB (751915)	455	4.37	12/02/2025
PWLB (487385)	250	2.28	21/02/2025
PWLB (313112)	250	1.64	04/03/2025
PWLB (493145)	250	1.98	09/03/2025
PWLB (759388)	208	4.52	12/03/2025
PWLB (711013)	385	4.75	13/03/2025
PWLB (712740)	357	4.59	19/03/2025
PWLB (713074)	357	4.64	20/03/2025
PWLB (608189)	667	4.15	21/03/2025
PWLB (659904)	333	5.06	21/03/2025
PWLB (660447)	333	5.08	24/03/2025
PWLB (661522)	357	5.00	27/03/2025
<b>Total</b>	<b>40,106</b>		

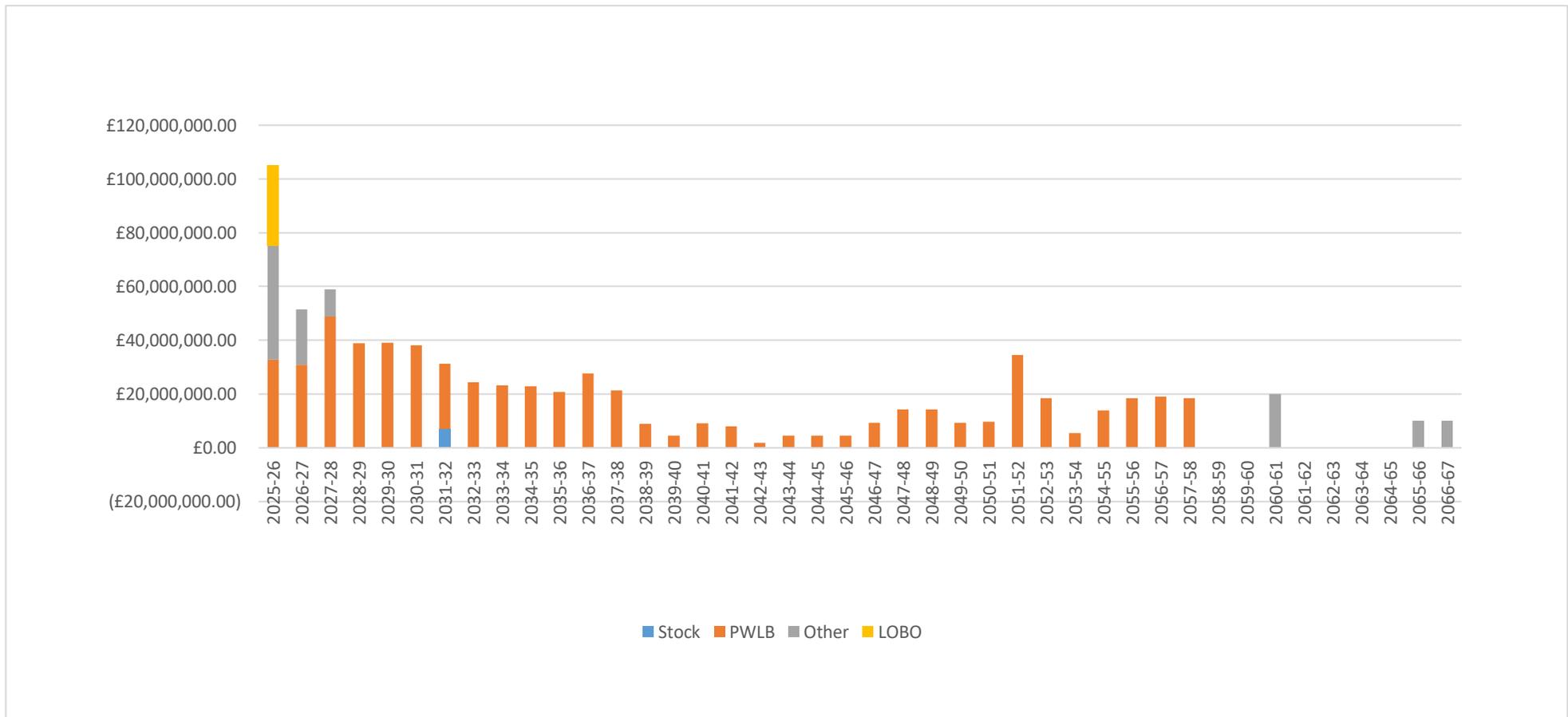
### **Short-term loans outstanding 31 March 2025**

	<b>Amount £000s</b>	<b>Rate %</b>	<b>Length of loan (days)</b>
<b>Short-term borrowing from other Local Authorities</b>			
West Yorkshire Combined Authority	5,000	5.15	341
Wealden District Council	5,000	4.8	181
<b>Medium-term loans due to mature in the next twelve months</b>			
South Yorkshire Mayoral Combined Authority	10,000	1.50	1,096
South Yorkshire Mayoral Combined Authority	5,000	5.40	731
Leicester City Council	10,000	2.00	1096
Oxfordshire County Council	5,000	2.00	1096
Local Lenders/Trust Funds	1,475	4.35	
<b>Total temporary borrowing</b>	<b>41,475</b>		

Long-term loans due to mature in the next twelve months	33,715		
<b>Total</b>	<b>75,190</b>		

**Kirklees Council Loan Maturity Profile (All Debt)**

**Appendix 3**



The maturity date of borrowing is the earliest date on which the lender can demand repayment. LOBO options of £30.8 million have a potential repayment date during 2025/26.

**Kirklees Council - Borrowing and Investment Trends**

<b>At 31 March</b>	<b>2025 £m</b>	<b>2024 £m</b>	<b>2023 £m</b>	<b>2022 £m</b>	<b>2021 £m</b>	<b>2020 £m</b>	<b>2019 £m</b>
Investments	58.6	39.1	44	78.9	37.1	52	39.1
ST Borrowing (excl interest accrued)	75.2	66.2	101	26.6	50	53.2	11.8
LT Borrowing	698.9	641.1	512.8	442.3	375.8	373.7	384.1
Total Borrowing	774.0	707.3	613.8	468.9	425.8	426.9	395.9
<b>Net debt position</b>	<b>715.4</b>	<b>668.2</b>	<b>569.8</b>	<b>390</b>	<b>388.7</b>	<b>374.9</b>	<b>356.8</b>
<u>Capital Financing Requirement (excl PFI)</u>							
General Fund	694.9	663.2	617	556.1	500.1	461.6	436.6
HRA	159.1	163.7	168	166	170.3	175.3	175.3
<b>Total CFR</b>	<b>854.0</b>	<b>826.9</b>	<b>785</b>	<b>722.1</b>	<b>670.4</b>	<b>636.9</b>	<b>611.9</b>
Less deferred liabilities (non PFI)	4.3	3.4	3.5	3.6	3.6	3.7	3.9
<b>Borrowing CFR</b>	<b>849.7</b>	<b>823.5</b>	<b>781.5</b>	<b>718.5</b>	<b>666.8</b>	<b>633.2</b>	<b>608</b>
Balances "internally invested"	75.7	116.2	167.7	249.6	241	206.3	212.1
Ave Kirklees' investment rate for financial year	4.9%	5.3%	1.9%	0.1%	0.1%	0.7%	0.7%
Ave Base rate (Bank of England)	4.9%	5.0%	2.3%	0.2%	0.1%	0.7%	0.7%
Ave LT Borrowing rate (1)	5.6%	5.3%	4.0%	2.1%	2.5%	2.6%	2.7%

(1) Based on average PWLB rate throughout the year on a 25 to 30 year loan (less 0.2% PWLB certainty rate) repayable on maturity.

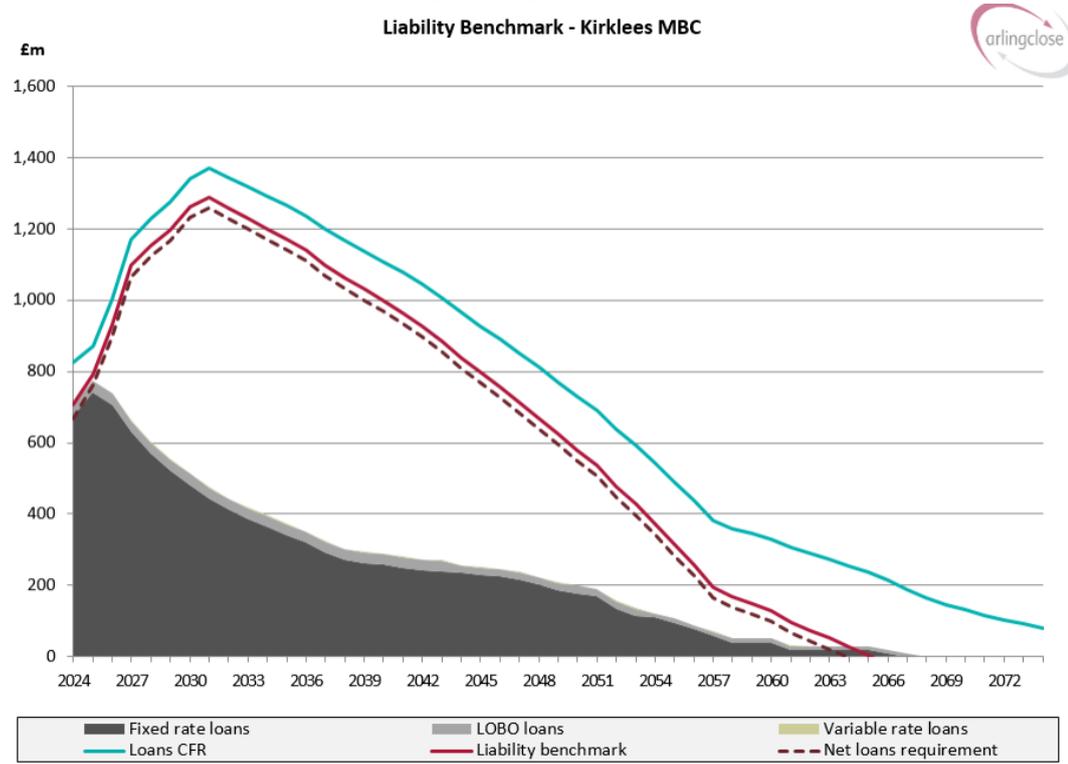
**Treasury Management Prudential Indicators**

**Liability Benchmark**

This new indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £30.0 million required to manage day-to-day cash flow.

	31.03.24 actual £m	31.03.25 actual £m	31.03.26 forecast £m	31.03.27 forecast £m
Loans CFR	823.5	849.7	1,002.8	1,171.5
Less: Balance sheet resources	155.3	134.3	104.9	105.9
<b>Net loans requirement</b>	<b>668.2</b>	<b>715.4</b>	<b>897.9</b>	<b>1,065.6</b>
Plus: Liquidity allowance	38.9	58.6	30.0	30.0
<b>Liability benchmark</b>	<b>707.1</b>	<b>774.0</b>	<b>927.9</b>	<b>1,095.6</b>
<b>Existing borrowing</b>	<b>707.3</b>	<b>774.0</b>	<b>738.2</b>	<b>661.8</b>

Following on from the medium-term forecast above, the long-term liability benchmark for 2024/25 includes capital expenditure funded by borrowing of £31.5 million, minimum revenue provision on new building capital expenditure based on a 50-year asset life and reduction in Balance sheet resources of £21.0 million.



The total liability benchmark is shown in the chart above together with the maturity profile of the Council's existing borrowing. The red line is the liability benchmark reaching a peak in 2032 highlighting the gap between current borrowing identified in grey, which is reducing over time with repayments, and the additional borrowing required to fund the capital plan.

### Maturity Structure of Borrowing

This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper limit	Lower limit	31.03.25 actual	31.03.25 actual £m	Complied
Under 12 months	20%	0%	14%	105.1	Yes
12 months and within 24 months	20%	0%	7%	51.4	Yes
24 months and within 5 years	60%	0%	18%	136.8	Yes
5 years and within 10 years	80%	0%	18%	139.7	Yes
10 years and above	100%	20%	44%	341.0	Yes

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. LOBO options of £30.9 million have a potential repayment date during 2025/26 and have been included in the under 12 months line.

### Long term Treasury Management Investments

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2023/24	2024/25	2025/26	No fixed date
Limit on principal invested beyond year end	n/a	n/a	n/a	n/a
Actual principal invested beyond year end	£10.0m	£10.0m	£10.0m	£10.0m
Complied	Yes	Yes	Yes	Yes

Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

## Interest Rate Exposures

Bank Base Rate fell by 0.75% during the year from 5.25% on 1st April 2024 to 4.50% on 31 March 2025.

For context, the changes in interest rates during the quarter were:

	<b>31.03.24</b>	<b>31.03.25</b>
Bank Rate	5.25%	4.50%
1-year PWLB certainty rate, maturity loans	5.36%	4.82%
5-year PWLB certainty rate, maturity loans	4.68%	4.97%
10-year PWLB certainty rate, maturity loans	4.74%	5.42%
20-year PWLB certainty rate, maturity loans	5.18%	5.91%
50-year PWLB certainty rate, maturity loans	5.01%	5.67%

While fixed rate borrowing can contribute significantly to reducing the uncertainty surrounding future interest rate scenarios, the pursuit of optimum performance justifies retaining a degree of flexibility through the use of variable interest rates on at least part of the treasury management portfolio. The Prudential Code requires the setting of upper limits for both variable rate and fixed interest rate exposure:

	<b>Limit Set 2024/25</b>	<b>Actual 2024/25</b>
Interest at fixed rates as a percentage of net interest payments	60% - 100%	95%
Interest at variable rates as a percentage of net interest payments	0% - 40%	5%

The interest payments were within the limits set.

**Glossary of Treasury Terms**

<b>Authorised Limit</b>	The affordable borrowing limit determined in compliance with the Local Government Act 2003 (English and Welsh authorities) and the Local Government in Scotland Act 2003. This Prudential Indicator is a statutory limit for total external debt. It is set by the Authority and needs to be consistent with the Authority's plans for capital expenditure financing and funding. The Authorised Limit provides headroom over and above the <i>Operational Boundary</i> to accommodate expected cash movements. Affordability and prudence are matters which must be taken into account when setting this limit.
<b>Annuity</b>	Method of repaying a loan where the payment amount remains uniform throughout the life of the loan, therefore the split varies such that the proportion of the payment relating to the principal increases as the amount of interest decreases.
<b>Balances and Reserves</b>	Accumulated sums that are maintained either earmarked for specific future costs or commitments or generally held to meet unforeseen or emergency expenditure.
<b>Bank Rate</b>	The official interest rate set by the Bank of England's Monetary Policy Committee and what is generally termed at the "base rate". This rate is also referred to as the 'repo rate'.
<b>Basis Point</b>	1/100th of 1%, i.e. 0.01%
<b>Bill</b>	A certificate of short-term debt issued by a company, government or other institution, tradable on the financial market
<b>Bond</b>	A certificate of debt issued by a company, government, or other institution. The bond holder receives interest at a rate stated at the time of issue of the bond. The price of a bond may vary during its life.
<b>Capital Expenditure</b>	Expenditure on the acquisition, creation or enhancement of capital assets.
<b>Capital Financing Requirement (CFR)</b>	The Council's underlying need to borrow for capital purposes representing the cumulative capital expenditure of the local authority that has not been financed.
<b>Capital gain or loss</b>	An increase or decrease in the capital value of an investment, for example through movements in its market price.
<b>Capital growth</b>	Increase in the value of the asset (in the context of a collective investment scheme, it will be the increase in the unit price of the fund).
<b>Capital receipts</b>	Money obtained on the sale of a capital asset.
<b>Certainty Rate</b>	The government has reduced by 20 basis points (0.20%) the interest rates on loans via the Public Works Loan Board (PWLB) to principal local authorities who provide information as specified on their plans for long-term borrowing and associated capital spending.
<b>CIPFA</b>	Chartered Institute of Public Finance and Accountancy.
<b>Collective Investment Schemes</b>	Funds in which several investors collectively hold units or shares. The assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'Pooled Funds'). Unit Trusts and Open-Ended Investment Companies are types of collective investment schemes/pooled funds.
<b>Corporate Bonds</b>	Corporate bonds are bonds issued by companies. The term is often used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies.
<b>Corporate Bond Funds</b>	Collective Investment Schemes investing predominantly in bonds issued by companies and supranational organisations.
<b>CPI</b> <i>Also see RPI</i>	Consumer Price Index. (This measure is used as the Bank of England's inflation target.)
<b>Cost of carry</b>	When a loan is borrowed in advance of requirement, this is the difference between the interest rate and (other associated costs) on the loan and the income earned from investing the cash in the interim.
<b>Counterparty List</b>	List of approved financial institutions with which the Council can place investments.

<b>Credit Default Swap (CDS)</b>	A Credit Default Swap is similar to an insurance policy against a credit default. Both the buyer and seller of a CDS are exposed to credit risk. Naked CDS, i.e. one which is not linked to an underlying security, can lead to speculative trading.
<b>Credit Rating</b>	Formal opinion by a registered rating agency of a counterparty's future ability to meet its financial liabilities; these are opinions only and not guarantees.
<b>Debt Management Office (DMO)</b>	The DMO is an Executive Agency of Her Majesty's Treasury and provides direct access for local authorities into a government deposit facility known as the Debt Management Account Deposit Fund (DMADF). All deposits are guaranteed by HM Government and therefore have the equivalent of a sovereign triple-A credit rating.
<b>Diversification / diversified exposure</b>	The spreading of investments among different types of assets or between markets in order to reduce risk.
<b>Derivatives</b>	Financial instruments whose value, and price, are dependent on one or more underlying assets. Derivatives can be used to gain exposure to, or to help protect against, expected changes in the value of the underlying investments. Derivatives may be traded on a regulated exchange or traded 'over the counter'.
<b>Debt Management Account Deposit Facility (DMADF)</b>	HM Treasury deposit account to provide users with a flexible and secure facility to supplement existing range of investment options while saving interest costs for central government.
<b>ECB</b>	European Central Bank
<b>Fair Value</b>	Fair value is defined as a sale price agreed to by a willing buyer and seller, assuming both parties enter the transaction freely. Many investments have a fair value determined by a market where the security is traded.
<b>Federal Reserve</b>	The US central bank. (Often referred to as "the Fed")
<b>Floating Rate Notes</b>	A bond issued by a company where the interest rate paid on the bond changes at set intervals (generally every 3 months). The rate of interest is linked to LIBOR and may therefore increase or decrease at each rate setting.
<b>GDP</b>	Gross domestic product – also termed as "growth" in the economy. The value of the national aggregate production of goods and services in the economy.
<b>General Fund</b>	This includes most of the day-to-day spending and income. (All spending and income related to the management and maintenance of the housing stock is kept separately in the Housing Revenue Account).
<b>Gilts (UK Govt)</b>	Gilts are bonds issued by the UK Government. They take their name from 'gilt-edged': being issued by the UK government, they are deemed to be very secure as the investor expects to receive the full face value of the bond to be repaid on maturity.
<b>Housing Revenue Account (HRA)</b>	A ring-fenced account of all housing income and expenditure, required by statute.
<b>IFRS</b>	International Financial Reporting Standards.
<b>Income Distribution</b>	The payment made to investors from the income generated by a fund; such a payment can also be referred to as a 'dividend'.
<b>Local Authority Property Fund (LAPF)</b>	A pooled property collective investment scheme for Churches, Charities and Local Authorities. (see Collective Investment Scheme).
<b>Liability Benchmark</b>	Term in CIPFA's Risk Management Toolkit which refers to the minimum amount of borrowing required to keep investments at a minimum liquidity level (which may be zero).
<b>LOBOs</b>	LOBO stands for 'Lender's Option Borrower's Option'. The underlying loan facility is typically long term and the interest rate is fixed. However, in the LOBO facility the lender has the option to call on the facilities at pre-determined future dates. On these call dates, the lender can propose or impose a new fixed rate for the remaining term of the facility and the borrower has the 'option' to either accept the new imposed fixed rate or repay the loan facility.
<b>Maturity</b>	The date when an investment or borrowing is repaid.

<b>Maturity profile</b>	A table or graph showing the amount (or percentage) of debt or investments maturing over a time period. The amount or percent maturing could be shown on a year-by-year or quarter-by-quarter or month-by-month basis.
<b>MiFID II</b>	MiFID II replaced the Markets in Financial Instruments Directive (MiFID I) from 3 January 2018. It is a legislative framework instituted by the European Union to regulate financial markets in the bloc and improve protections for investors.
<b>Minimum Revenue Provision (MRP)</b>	An annual provision that the Authority is statutorily required to set aside and charge to the Revenue Account for the repayment of debt associated with expenditure incurred on capital assets.
<b>Money Market Funds (MMF)</b>	Pooled funds which invest in a range of short term assets providing high credit quality and high liquidity.
<b>Net Asset Value (NAV)</b>	A fund's net asset value is calculated by taking the current value of the fund's assets and subtracting its liabilities.
<b>Operational Boundary</b>	This is the limit set by the Authority as its most likely, i.e. prudent, estimate level of external debt, but not the worst case scenario. This limit links directly to the Authority's plans for capital expenditure, the estimates of the Capital Financing Requirement (CFR) and the estimate of cashflow requirements for the year.
<b>Pooled funds</b>	See Collective Investment Schemes (above).
<b>Premiums and Discounts</b>	<p>In the context of local authority borrowing, (a) the premium is the penalty arising when a loan is redeemed prior to its maturity date and (b) the discount is the gain arising when a loan is redeemed prior to its maturity date. If on a £1 million loan, it is calculated* that a £100,000 premium is payable on premature redemption, then the amount paid by the borrower to redeem the loan is £1,100,000 plus accrued interest. If on a £1 million loan, it is calculated that a £100,000 discount receivable on premature redemption, then the amount paid by the borrower to redeem the loan is £900,000 plus accrued interest. PWLB premium/discount rates are calculated according to the length of time to maturity, current market rates (plus a margin), and the existing loan rate which then produces a premium/discount dependent on whether the discount rate is lower/higher than the coupon rate.</p> <p>*The calculation of the total amount payable to redeem a loan borrowed from the Public Works Loans Board (PWLB) is the present value of the remaining payments of principal and interest due in respect of the loan being repaid prematurely, calculated on normal actuarial principles. More details are contained in the PWLB's lending arrangements circular.</p>
<b>Private Finance Initiative (PFI)</b>	Private Finance Initiative (PFI) provides a way of funding major capital investments, without immediate recourse to the public purse. Private consortia, usually involving large construction firms, are contracted to design, build, and in some cases manage new projects. Contracts can typically last for 30 years, during which time the asset is leased by a public authority.
<b>Investment Property</b>	Property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both.
<b>Prudential Code</b>	Developed by CIPFA and introduced on 01/4/2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice.
<b>Prudential Indicators</b>	Indicators determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable; they are not intended to be comparative performance indicators between authorities.
<b>PWLB</b>	Public Works Loans Board. It is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. The PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.
<b>Revenue Expenditure</b>	Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital financing charges.
<b>Risk</b>	<b>Credit and counterparty risk</b>

	<p>The risk of failure by a counterparty to meet its contractual obligations to the organisation under an investment, borrowing, capital, project or partnership financing, particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the organisation's capital or current (revenue) resources.</p> <p><b>Liquidity risk</b> The risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional unbudgeted costs, and that the organisation's business/service objectives will be thereby compromised.</p> <p><b>Refinancing risk</b> The risk that maturing borrowings, capital, project or partnership financings cannot be refinanced on terms that reflect the provisions made by the organisation for those refinancings, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.</p> <p><b>Interest Rate risk</b> The risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately.</p> <p><b>Legal risk</b> The risk that the organisation itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the organisation suffers losses accordingly.</p> <p><b>Operational risk</b> The risk that an organisation fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk commonly referred to as operational risk.</p> <p><b>Market Risk</b> The risk that, through adverse market fluctuations in the value of the principal sums an organisation borrows and invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.</p>
<b>RPI</b>	Retail Prices Index. A monthly index demonstrating the movement in the cost of living as it tracks the prices of goods and services including mortgage interest and rent. Pensions and index-linked gilts are updated using the CPI index.
<b>SORP</b>	Statement of Recommended Practice for Accounting (Code of Practice on Local Authority Accounting in the United Kingdom).
<b>Specified Investments</b>	Term used in the CLG Guidance and Welsh Assembly Guidance for Local Authority Investments. Investments that offer high security and high liquidity, in sterling and for no more than 1 year. UK government, local authorities and bodies that have a high credit rating.
<b>Supported Borrowing</b>	Borrowing for which the costs are supported by the government or third party.
<b>Temporary Borrowing</b>	Borrowing to cover peaks and troughs of cash flow, not to fund spending.
<b>Term Deposits</b>	Deposits of cash with terms attached relating to maturity and rate of return (interest).
<b>Treasury (T) -Bills</b>	Treasury Bills are short term Government debt instruments and, just like temporary loans used by local authorities, are a means to manage cash flow. Treasury Bills (T-Bills) are issued by the Debt Management Office and are an eligible sovereign instrument, meaning that they have a AAA-rating.
<b>Treasury Management Code</b>	CIPFA's Code of Practice for Treasury Management in the Public Services. The current Code is the edition released in 2021.
<b>Treasury Management Practices (TMP)</b>	Treasury Management Practices set out the manner in which the Council will seek to achieve its policies and objectives and prescribe how it will manage and control these activities.
<b>Unsupported Borrowing</b>	Borrowing which is self-financed by the local authority. This is also sometimes referred to as Prudential Borrowing.

<b>Usable Reserves</b>	Resources available to finance future revenue and capital expenditure.
<b>Variable Net Asset Value (VNAV)</b>	A term used in relation to the valuation of 1 share in a fund. This means that the net asset value (NAV) of these funds is calculated daily based on market prices.
<b>Working Capital</b>	Timing differences between income/expenditure and receipts/payments
<b>Yield</b>	The measure of the return on an investment instrument.