

## Update after the Funding Settlement (+ balancing the 2025/26 Budget)

Cabinet of the 10/12/24 had an estimated Gfund budget gap of

Changes announced in the Funding Settlement

	Prev Estimate
Revenue Support Grant	104990
Rural Services Delivery Grant	633784
Services Grant	15451
New Homes Bonus	413761
Funding floor grant	564370
Recovery grant - new for 25/26	0
Total	1732356

The summary of our FS position is a cash freeze leaving our overall core spending power at £11.7m. The £11.7m CSP includes Govt assumption on Ctax (@ the max Ref. limit) and Business Rates. The above table shows the impact on our non ring fenced grants from Govt - i.e. a reduction in the Ctax referendum limit was confirmed at 3.0% for District Councils - this had already been

### Other announcements that sit outside of the FS

No details on precise allocations of the £515m to compensate for the NIC for employers - will be NB - but looking at the methodology they have announced and the national control total Councils. Extra homelessness allocations give us an extra £270k for 25/26 - mostly ring fenced to specific areas. Our Extended Producer Responsibility funding has been announced at £927k - however this is a medium term financial settlement promised from 26/27. It should also be noted that this is a reduction in the annual payment of circa £450k from DCC which will see us lose the annual payment of circa £450k from DCC.

### Other budgetary changes since the Cabinet paper of the 10/12/24

Finalised salary budgets have resulted in a revised recharge of cost to the HRA of £35k. Income performance in leisure for 24/25 is very strong so we will increase the fees/charges to £35k. Still need to finalise our Business Rates position in Jan 25.

Summary of new position

Position as at Cabinet 10/12/24  
Impact of Funding Settlement  
NIC ers compensation - shortfall  
Utilisation of extra homelessness funding  
Extended Producer Responsibility  
Finalisation of HRA recharges  
Increase to leisure fees/charges  
Final Business Rates position

**New position**

Work is still ongoing to establish whether any other savings can be secured and ultimately a temporary utilisation of reserves/balances or allocating some of the new EPR funding.

### **HRA update**

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Position as at Cabinet 10/12/24

Updated Vehicle Lease Forecast

Movement on Internal Recharges

Revenue Impact of Budgeted Capital Programme

Reduction in Investment Income Forecasts

NIC ers compensation - shortfall

Sub Total

Possible Savings

Reductions Across Repairs & Maintenance Budgets

Reduce Contribution to Impairment Allowance to £150k (£142k in 2023/24)

Delay Borrowing by Using HMF - Interest

Delay Borrowing by Using HMF - MRP

Contributions from Renewable & Affordable Rents EMRs

### **New position**

### **Capital Programme Update**

This was fully funded when reported to the December Cabinet. However, Govt. announcement borrowing assumptions made to fund the Housing Revenue Account's development strategy.

## Appendix 1

£191k

FS 18/12/24

139800	
0	repurposed based on deprivation levels
0	ditto
498147	
739653	this effectively ensures no Council has a funding cut
57495	
1435095	

11.7m - which is the same as our 24/25 Govt. funding position  
revenue + the additional non ring fenced grants we receive.  
of £297k  
assumed in our earlier working assumptions

will be given in Jan 25 with the final FS - our GF costs our circa £370k  
Councils may only receive about 1/3rd of these additional costs!!!!  
specific actions/duties  
as a 1year only payment and will then be subsumed into the future  
the final year of the Devon Waste Shared Saving Agreements

budget by an additional £150k

£k
191
297
247
-100
?
-35
-150
?
<b>450</b>

decision will need to be made on either

£515k

515

26

35

90

196

65

927

-330

-50

-166

-29

-352

**0**

ments made over the last month will reduce the