

Public Document Pack

TENDRING DISTRICT COUNCIL

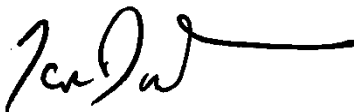
Committee Services
Room 29
Town Hall
Station Road
Clacton-on-Sea
Essex
CO15 1SE

3 February 2025

Dear Councillor

I HEREBY SUMMON YOU to attend the Budget and Council Tax Setting meeting of the Tendring District Council to be held at 7.30 p.m. on Tuesday 11 February 2025 when the business specified in the accompanying Agenda is proposed to be transacted. The meeting will be held in the Princes Theatre, Town Hall, Station Road, Clacton-on-Sea, CO15 1SE.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ian Davidson', with a long horizontal flourish extending to the right.

Ian Davidson
Chief Executive

To: All members of the
Tendring District Council

TENDRING DISTRICT COUNCIL

AGENDA

For the meeting to be held on Tuesday, 11 February 2025

Prayers

1 Report of the Returning Officer on the District Council By-Election - The Bentleys & Frating Ward

The Council will receive the Returning Officer's Report on the by-election held on 6 February 2025 in The Bentleys & Frating Ward.

(REPORT IS TO FOLLOW)

2 Apologies for Absence

The Council is asked to note any apologies for absence received from Members.

3 Minutes of the Last Meeting of the Council (Pages 5 - 16)

The Council is asked to approve, as a correct record, the minutes of the ordinary meeting of the Council held on 21 January 2025.

4 Declarations of Interest

Councillors are invited to declare any Disclosable Pecuniary Interests, Other Registerable Interests of Non-Registerable Interests, and the nature of it, in relation to any item on the agenda.

5 Announcements by the Chairman of the Council

The Council is asked to note any announcements made by the Chairman of the Council.

6 Announcements by the Chief Executive

The Council is asked to note any announcements made by the Chief Executive.

7 Statements by the Leader of the Council

The Council is asked to note any statements made by the Leader of the Council.

Councillors may then ask questions of the Leader on his statements.

8 Statements by Members of the Cabinet

The Council is asked to note any statements made by Members of the Cabinet (Portfolio Holders).

Councillors may then ask questions of the Portfolio Holders on their statements.

9 Report of the Cabinet - A.1 - Executive's Proposals - General Fund Budget and Council Tax - 2025/26 (Pages 17 - 118)

To present to Council the Executive's General Fund budget proposals for 2025/26.

10 Report of the Cabinet - A.2 - Executive's Proposals - Housing Revenue Account Budget 2025/26 (Pages 119 - 142)

To present to Council the Executive's Housing Revenue Account (HRA) budget proposals for 2025/26 (including fees and charges, capital programme and movement in HRA Balances).

11 Urgent Matters for Debate

The Council will consider any urgent matters submitted in accordance with Council Procedure Rules 2(viii), 11.3(b) and/or 13(p).

Date of the Next Scheduled Meeting of the Council

Tuesday, 25 March 2025 at 7.30 pm - Town Hall, Station Road, Clacton-on-Sea, CO15 1SE

INFORMATION FOR VISITORS

PRINCES THEATRE FIRE EVACUATION PROCEDURE

There is no alarm test scheduled for this meeting. In the event of an alarm sounding, please calmly make your way out of any of the four fire exits in the auditorium and follow the exit signs out of the building.

Please follow the instructions given by any member of staff and they will assist in leaving the building.

Please do not re-enter the building until you are advised it is safe to do so by the relevant member of staff.

The assembly point for the Princes Theatre is in the car park to the left of the front of the building as you are facing it. Your calmness and assistance is greatly appreciated.

PUBLIC ATTENDANCE AT TENDRING DISTRICT COUNCIL MEETINGS

Welcome to this evening's meeting of Tendring District Council.

This is an open meeting which members of the public can attend to see Councillors debating and transacting the business of the Council. However, please be aware that, unless you are included on the agenda to ask a public question, members of the public are not entitled to make any comment or take part in the meeting. You are also asked to behave in a respectful manner at all times during these meetings.

Members of the public do have the right to film or record council meetings subject to the provisions set out below:-

Rights of members of the public to film and record meetings

Under The Openness of Local Government Bodies Regulations 2014, which came into effect on 6 August 2014, any person is permitted to film or record any meeting of the Council, a Committee, Sub-Committee or the Cabinet, unless the public have been excluded from the meeting for the consideration of exempt or confidential business.

Members of the public also have the right to report meetings using social media (including blogging or tweeting).

The Council will provide reasonable facilities to facilitate reporting.

Public Behaviour

Any person exercising the rights set out above must not disrupt proceedings. Examples of what will be regarded as disruptive, include, but are not limited to:

- (1) Moving outside the area designated for the public;
- (2) Making excessive noise;
- (3) Intrusive lighting/flash; or
- (4) Asking a Councillor to repeat a statement.

In addition, members of the public or the public gallery should **not** be filmed as this could infringe on an individual's right to privacy, if their prior permission had not been obtained.

Any person considered being disruptive or filming the public will be requested to cease doing so by the Chairman of the meeting and may be asked to leave the meeting. A refusal by the member of the public concerned will lead to the Police being called to intervene.

Filming by the Council

This meeting will be filmed by the Council for live and/or subsequent broadcast on the Council's website. The whole of the meeting will be filmed, except where there are confidential or exempt items, and the footage will be on the website for up to 24 months (the Council retains one full year of recordings and the relevant proportion of the current Municipal Year). The Council will seek to avoid/minimise footage of members of the public in attendance at, or participating in, the meeting.

**MINUTES OF THE MEETING OF THE COUNCIL,
HELD ON TUESDAY, 21ST JANUARY, 2025 AT 7.30 PM
IN THE PRINCES THEATRE, AT THE TOWN HALL, STATION ROAD, CLACTON-
ON-SEA, CO15 1SE**

Present:	Councillors Casey (Chairman), Davidson (Vice-Chairman), Alexander, Amos, Baker, Barrett, Barry, Bensilum, Bray, Bush, Calver, Chapman BEM, A Cossens, M Cossens, Doyle, Everett, Fairley, Ferguson, Fowler, Goldman, Griffiths, Harris, I Henderson, J Henderson, P Honeywood, S Honeywood, Kotz, Morrison, Newton, Oxley, Placey, Platt, Scott, Smith, Steady, M Stephenson, Thompson and Wiggins
In Attendance:	Ian Davidson (Chief Executive), Lisa Hastings (Director (Governance) & Monitoring Officer), Keith Simmons (Head of Democratic Services and Elections & Deputy Monitoring Officer), Ian Ford (Committee Services Manager), William Lodge (Communications Manager), Maddie Adger (Leadership Support Manager), Bethany Jones (Committee Services Officer) and Simon Kedge (Casual Technician (Princes Theatre))

80. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Codling, Guglielmi, Land, Skeels, G L Stephenson, Sudra, Talbot, Turner and White.

81. MINUTES OF THE LAST MEETING OF THE COUNCIL

It was moved by Councillor M E Stephenson, seconded by Councillor I J Henderson and:-

RESOLVED that the minutes of the meeting of the Council held on 26 November 2024 be approved as a correct record and be signed by the Chairman.

82. DECLARATIONS OF INTEREST

The Monitoring Officer read out the contents of an email that she had previously sent to those Tendring District Councillors who were also serving Essex County Councillors.

“I am writing to you all following a few requests for advice on the position of declaration of interests in relation to the Devolution and LGR Report on the Council agenda tomorrow evening. I have not checked if you attended the meeting of ECC on 10th January, if you did, how you voted and if you are attending tomorrow, I just wanted to ensure you all had the same advice.

When the matter was before ECC, you were debating and voting on an item before the County Council on whether to submit the expression of interest as requested, for Upper Tier authorities to respond to, through the Ministry of Housing, Communities and Local Government (MHCLG) White Paper on English Devolution published on 16th December 2024.

The title of the ECC Report was “Devolution, Local Government Reorganisation and Request for Postponement of 2025 Ordinary Elections” printed recommendations within the report are set out below and are important for the purposes of this advice:

2.1 Council endorses the proposal by the Leader of the Council to submit a letter to government which:

A. Requests that Essex County Council, along with Southend-on-Sea City Council and Thurrock Council (‘the Partners’) be part of the government’s Devolution Priority Programme.

B. Sets out the Council’s commitment to work with the Partners and with central government and the borough, city and district councils to seek to deliver a mayoral combined county authority with a view to holding a mayoral election in May 2026.

C. Sets out the Council’s commitment, working with the Partners, to develop a proposal for local government reorganisation for submission to government as an interim proposal in March 2025 and a full proposal in Autumn 2025.

D. Requests the government to postpone the ordinary elections to Essex County Council due to be held on 1 May 2025, initially by 12 months to May 2026 to enable the Council to focus on developing proposals for devolution and local government reorganisation as part of the Government’s Devolution Priority Programme.

2.2 Council requests that it is consulted on any proposals to be submitted by the Council for a mayoral county combined authority or for reorganisation of local government.

Being an ECC Member is regarded as an Other Registerable Interest (ORI), as defined in Table 2 (c) (i) and (iii). Where a matter either ‘directly relates’ or ‘affects’ the financial interest or wellbeing of your ORI, you must declare it and whether you participate or not depends upon the circumstances. There is obviously a clear link to the Report on TDC’s agenda and it specifically references the outcome of the meeting held on 10th January 2025.

The outcome of the debate on the report tomorrow could directly relate or affect the financial interest or well-being of ECC in relation to partnership working amongst the Councils (as set out in 2.1 B&C above) therefore for the avoidance of doubt, I will read out at the Declarations of Interest section of the agenda tomorrow that as MO, I have decided to grant you all a dispensation to remain, speak, and vote on the item in accordance with the Members’ Code of Conduct and applying the principles of Section 33 (c) of the Localism Act 2011 in that it is considered granting the dispensation is in the interests of persons living in the authority’s area.

The matter before TDC tomorrow is responding to the outcome of the ECC decision, and as District Councillors, you have the right and would be expected to represent the District Council and its residents, businesses and community in the position local government and this Council finds itself in, following central government policy and the decisions of the County and two Unitaries within Greater Essex.”

83. ANNOUNCEMENTS BY THE CHAIRMAN OF THE COUNCIL

The Chairman of the Council (Councillor Casey) referred to the fact that he was a member of the Working with Parish Councils Task & Finish Working Group and that he had recently attended meetings of Alresford Parish Council and Frinton & Walton Town Council. He thanked those Councils for their kind invitations.

84. ANNOUNCEMENTS BY THE CHIEF EXECUTIVE**Change in Membership of the Reform UK Political Group**

The Chief Executive formally reported that, on 17 January 2025 and pursuant to Regulation 9(b) of the Local Government (Committees and Political Groups) Regulations 1990, Councillor Bradley Thompson had served formal notice on the Council that he wished to be treated as a member of the Reform UK political group. That notice had been duly counter-signed by the Leader of the Reform UK Group (Councillor Jeff Bray).

Councillors Thompson and Bray had informed Officers that they wished to exercise their right under Section 15(1)(e) of the Local Government and Housing Act 1989 and Regulation 17(c) of the Local Government (Committees and Political Groups) Regulations 1990 to have a review of the allocation of seats to political groups carried out. The results of that review would be reported to Council in March 2025 and would also take account of the result of the by-election in The Bentleys & Frating Ward on 6 February 2025.

Council noted the foregoing.

Agenda Item 21 – Seating Plan

In the light of the above announcement and with the leave of the Chairman of the Council, the Chief Executive informed Members that agenda item 21 (Seating Plan for meetings of the Full Council in the remainder of the 2024/2025 Municipal Year) had been deferred from this meeting.

Former Councillor Lynda McWilliams – Resignation from the Council and Tributes to her service and achievements on the Council

The Chief Executive formally reported that, on 2 January 2025, he had received a letter from Lynda McWilliams in which she had resigned as a Tendring District Councillor. That letter had referenced her deteriorating health and the medical advice she had received to step aside from her District Councillor role.

Notice of the Vacancy in The Bentleys & Frating Ward had been accordingly given and a requisition for an election to fill the vacancy had been consequently received from two electors.

Notice of the Election had been thereupon given, and the Election would take place on Thursday, 6 February 2025. The Chief Executive, in his role as Returning Officer, had decided that the counts for the by-election would take place here at the Town Hall in Clacton-on-Sea on Friday, 7 February 2025.

The Chief Executive then paid a personal tribute to Lynda McWilliams' service and achievements during her lengthy term of office as a District Councillor.

Councillors P B Honeywood, Bray, Chapman BEM, M E Stephenson and Scott paid tribute both personally and as leaders of their respective political groups.

Councillor Calver paid tribute to Lynda McWilliams on behalf of the Labour Group.

The Chairman of the Council (Councillor Casey) and Councillor Fairley also paid personal tributes.

Councillor A I Cossens presented a bouquet of flowers to Lynda McWilliams who responded by thanking everyone for their kindness and their touching tributes.

Members and Officers then proceeded to give Lynda McWilliams a standing ovation.

85. STATEMENTS BY THE LEADER OF THE COUNCIL

Tendring Stars Awards

The Leader of the Council (Councillor M E Stephenson) informed Council that, last week, he had attended the Tendring Stars Awards which was where the Council recognised the many different individuals and teams who received awards acknowledging their contributions to the Council. What had been evident was their commitment, loyalty, hard working and professionalism and the ongoing extra miles that staff provide for the Council.

Councillor Stephenson stated that he had been attending these awards for a few years and the thing that really stood out for him was the long service awards for 30+ and 35+ years with the Council and the large number of individuals who had achieved that which he felt was phenomenal and showed what a great place this Council was to work. It also recognised all the efforts that Officers made. He was one of the members of the judging panel and it had been hard to pick out the 'winners' as they were all worthy of an award.

86. STATEMENTS BY MEMBERS OF THE CABINET

There were no statements made by members of the Cabinet on this occasion.

87. PETITIONS TO COUNCIL

The Council was to consider any petition(s) received in accordance with the Scheme approved by the Council.

On this occasion no such petition(s) had been submitted.

88. QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE 10.1

Subject to the required notice being given, members of the public could ask questions of the Leader of the Council, Portfolio Holders or Chairmen of Committees.

On this occasion one such Question on Notice had been submitted by a member of the public. However, that Question had been subsequently withdrawn in accordance with the provisions of Council Procedure Rule 10.10.

89. URGENT CABINET OR PORTFOLIO HOLDER DECISIONS

There were no such urgent Cabinet or Portfolio Holder decisions to report to Council on this occasion.

90. MINUTES OF COMMITTEES

It was moved by Councillor M E Stephenson, seconded by Councillor P B Honeywood and:-

RESOLVED that the minutes of the following Committees, as circulated, be received and noted:-

- (a) Audit of Monday 9 December 2024; and
- (b) Resources and Services Overview & Scrutiny of Tuesday 17 December 2024.

91. MOTION TO COUNCIL PURSUANT TO COUNCIL PROCEDURE RULE 12 - 'GIVING PETS AS PRIZES' AND THE COUNCIL'S ANIMAL WELFARE CHARTER

Council had before it the following motion, notice of which had been given by Councillor Barrett pursuant to Council Procedure Rule 12:-

“(a) That Tendring District Council notes that:-

- (1) ownership of any animal is a big responsibility and one that should be planned and well thought out, as animals often do not have their welfare needs met prior to, during and after being given as a ‘prize’;*
- (2) between 2015 and 2020, there were 120 cases reported to the RSPCA of live animals being given as prizes in England and that whilst the numbers decreased during the Covid-19 lockdowns, the RSPCA still regularly receive calls about pets being given away as prizes;*
- (3) in 2024, 91% of UK adults were shocked to discover that this still happens and 79% agreed that local councils should step in to stop this;*
- (4) under the Animal Welfare Act 2006, it is an offence to give an animal as a prize to anyone under the age of 16, except within the family context but that the RSPCA believes that this does not go far enough, and would like to see legislation introduced similar to that within the Animal Health and Welfare (Scotland) Act 2006, which states that: **it is an offence to give an animal as a prize, regardless of age, except within the family context;***
- (5) local authorities can ban the giving of live animals as prizes on Council owned land, thereby ensuring the welfare of these animals is not compromised, as well as raising public awareness of the issue and leading the way on ending this outdated practice;*
- (6) all 22 local authorities in Wales and over 70 Councils in England have now restricted this activity on land that they control; and*
- (7) the RSPCA believe that many cases of pets being given as prizes go unreported each year.*

(b) That Tendring District Council therefore resolves:-

- (1) to re-affirm the commitment that currently exists in the Council's Animal Welfare Charter to ban outright the giving of live animals as prizes, in any form, on land owned by Tendring District Council;*

- (2) *that the Leader of the Council writes to Steve Reed MP, Minister for the Environment, Food and Rural Affairs urging the Government to introduce an outright ban on the giving of live animals as prizes on both public and private land by way of an amendment to the Animal Welfare Act 2006;*
- (3) *that the Portfolio Holder for the Environment and ICT be requested to undertake a review of this Council's current Animal Welfare Charter to ensure that it is an up-to-date policy document; and*
- (4) *that this Council communicates to its residents this Council's continued commitment to Animal Welfare issues across the District by highlighting its intention to lobby the Government to ban the giving of live animals as prizes in any form."*

Prior to the commencement of the meeting the Council's Monitoring Officer had decided that the statutory officers did not need to provide any professional advice in relation to this motion and that therefore an Advisory Note pursuant to Council Procedure Rule 12.5 had not needed to be produced.

Councillor Barrett formally moved the motion and Councillor Fairley formally seconded the motion.

In accordance with the provisions of Council Procedure Rule 12.6 Councillor Barrett then explained the purpose of the Motion and Council proceeded to debate it.

In addition to Councillor Barrett, Councillors Fairley, Oxley and M E Stephenson spoke during the debate on this matter.

Councillor Barrett's motion on being put to the vote was declared unanimously **CARRIED**.

92. RECOMMENDATIONS FROM THE CABINET

Council would consider any recommendations submitted to it by the Cabinet.

No such recommendations had been submitted for consideration at this meeting.

93. REPORTS SUBMITTED TO THE COUNCIL BY AN OVERVIEW AND SCRUTINY COMMITTEE

Council would consider any reports submitted to it by an Overview and Scrutiny Committee.

No such reports had been submitted for consideration at this meeting.

94. REPORT OF THE CHIEF EXECUTIVE - A.1 - THE GOVERNMENT'S ENGLISH DEVOLUTION WHITE PAPER AND LETTER TO LEADERS OF ALL TWO-TIER COUNCILS REFERENCING POSSIBLE POSTPONEMENT OF 2025 ELECTIONS

Council had before a detailed report of the Chief Executive (A.1) which set out for Council a summary of the Government's "English Devolution" White Paper published on 16 December 2024 in respect of its proposals in this policy area and the Government's

intentions for local government re-organisation; including the relevant timelines for those two separate but parallel strands of Government policy. Associated with this was the potential deferral of elections scheduled for May 2025 to May 2026 (initially).

It was reported that Devolution concerned taking Whitehall powers and devolving those to more local institutions. The Government styled those local institutions as 'Strategic Authorities'. The White Paper set out the Government's aim of universal coverage in England of Strategic Authorities – which should be a number of councils working together, covering areas that people recognised and worked in. The current Combined Authorities, in places like Tees Valley and Cambridgeshire & Peterborough, would become Strategic Authorities (as referred to below). The levels of Strategic Authority were stated by Government as being:

- **“Foundation” Strategic Authorities:**

Those included non-mayoral Combined Authorities and Combined County Authorities automatically, and any Local Authority designated as a Strategic Authority without a Mayor.

- **Mayoral Strategic Authorities:**

The Greater London Authority, all Mayoral Combined Authorities and all Mayoral Combined County Authorities would automatically begin as Mayoral Strategic Authorities.

- **Established Mayoral Strategic Authorities:**

Those Mayoral Authorities who met specified eligibility criteria could be designated as Established Mayoral Strategic Authorities. This unlocked further devolution, most notably an Integrated Settlement (which the Government stated would mean Mayors would not be bound by strict Westminster rules over how to spend money locally). Integrated Settlements were to have a single systematised approach to spending controls and a single, streamlined, overarching assurance and accountability framework.

Members were informed that the default position for Government was that Strategic Authorities should cover areas with a population of 1.5 million or above. The combined population of Essex, Thurrock and Southend-on-Sea was currently about 1.8million. The powers of Strategic Authorities were set out in Appendix A ('Devolution Framework Summary Table') to the Chief Executive's report (A.1)/

Council was made aware that Mayoral Combined and Combined County Authorities could currently use a Mayoral Council Tax Precept. However, they could not use this on their full range of functions. Government had said that it would legislate to correct this, raising the value for money of this existing power.

It was noted that to take forward the intentions in the White Paper, the Government intended to introduce an English Devolution Bill. Ahead of that, it proposed to agree areas that it would determine were ready to move quickly through to the establishment of a new Strategic Authority. Those identified would join a new Devolution Priority Programme. Essex County Council, Thurrock and Southend-on-Sea Unitary Councils had submitted a joint proposal to join that Programme. This would, it was proposed, see a new Strategic Authority established in April 2026 for 'Greater Essex' with an election

of a directly elected Mayor for the area in May 2026. Links to the reports considered by those Councils were set out in the Background Papers section of the Chief Executive's report (A.1).

Members were advised that the White Paper did not solely address devolution matters; it also referenced local government reorganisation. The Government expected all two-tier areas and smaller or failing unitaries to develop proposals for reorganisation. Those existing Councils were to be replaced with new unitary councils (which the Government stated should have 'as a benchmark' a population of 500,000 or more). Further to this, the report referenced a letter of the same date (16 December) from the Minister of State for Local Government and English Devolution to Leaders of Councils in two-tier areas (and adjoining unitary councils). This letter had included proposals to postpone elections scheduled for May 2025 to May 2026 (initially) where one or other of the following scenarios existed:

- Areas who were minded-to join the Devolution Priority Programme, where they would be invited to submit reorganisation proposals to Government by Autumn 2025.
- Areas who needed reorganisation to unlock devolution, where they would be invited to submit reorganisation proposals to Government by May 2025.

It was highlighted that locally, in the week 6-10 January 2025, Essex County, Thurrock and Southend-on-Sea City Councils had met separately as 'Upper Tier' Authorities to consider the separate but related matters of: (1) devolution, (2) local government reorganisation and (3) whether to request deferral of elections to their respective Councils from May 2025 to May 2026 (initially). Following those meetings, the County Council, alongside Southend-on-Sea City Council and Thurrock Council, had written to the Minister to request participation in the Devolution Priority Programme (devolution and local government reorganisation), and to request the postponement of elections scheduled for May this year in the County Council and Thurrock Council areas. There being no scheduled elections to Southend-on-Sea Council for May 2025.

This Council now awaited to hear whether 'Greater Essex' had been accepted as part of the Priority Programme.

The Chief Executive (Ian Davidson) introduced his report and outlined the salient points contained within the report.

Councillors M E Stephenson, Steady, M A Cossens, Fairley, Scott, Platt and I J Henderson addressed Council during the debate on this matter.

It was moved by Councillor M E Stephenson, seconded by Councillor I J Henderson and unanimously:-

RESOLVED that Council –

- i) acknowledges work will continue to ensure that the District of Tendring is in the best possible position should devolution and/or local government reorganisation go ahead;

- ii) mandates the Leader of the Council and Chief Executive to seek to ensure that the voice of Tendring (and north Essex more generally) is as strong as possible in any negotiations around devolution and local government reorganisation recognising its opportunities and challenges;
- iii) recognises that Members and Officers will continue to deliver this Council's best value and other statutory duties for the benefit of its residents, businesses and communities every day that it exists; and
- iv) welcomes the intention to provide periodically, briefings to Members (and reports to this Council as necessary) as the agenda around devolution and local government reorganisation develops locally.

95. REPORT OF THE CHIEF EXECUTIVE - A.2 - RESIGNATIONS FROM THE TENDRING INDEPENDENTS GROUP

The Chief Executive formally reported that, pursuant to Regulation 10(b) of the Local Government (Committees and Political Groups) Regulations 1990, Councillor Michael Bush on 5 December 2024, had served formal notice on the Council that he no longer wished to be treated as a member of the Tendring Independents political group.

The Chief Executive further formally reported that, pursuant to Regulation 10(b) of the Local Government (Committees and Political Groups) Regulations 1990, Councillor Bradley Thompson on 13 January 2025, had served formal notice on the Council that he no longer wished to be treated as a member of the Tendring Independents political group.

Council noted the foregoing.

96. REPORT OF THE CHIEF EXECUTIVE - A.3 - RESIGNATION FROM THE COUNCIL - LYNDA MCWILLIAMS

This item had been considered earlier on in the meeting as part of the Chief Executive's announcements as reported under Minute 84 above.

97. REPORT OF THE CHIEF EXECUTIVE - A.4 - CHANGE IN MEMBERSHIP OF COMMITTEES

The Chief Executive formally reported that, in accordance with the wishes of the Leader of the Tendring Independents Group and the authority delegated to him, the following appointment had been duly made since the last meeting of the Council, namely:-

Planning Policy & Local Plan Committee

Councillor Mark Stephenson had been appointed to serve in place of Councillor Mike Bush.

Council noted the foregoing.

98. JOINT REPORT OF THE DIRECTOR (GOVERNANCE) & MONITORING OFFICER AND THE CABINET - A.5 - PROPOSED AMENDMENT TO ARTICLE 9 OF THE

COUNCIL'S CONSTITUTION: TDALC REPRESENTATION ON THE TOWN & PARISH COUNCILS' STANDARDS SUB-COMMITTEE

Council considered the recommendation made to it by the Standards Committee, and further recommended by the Cabinet, in relation to a proposed amendment to Article 9 of the Council's Constitution.

It was reported that the Standards Committee, at its meeting held on 24 October 2024 (Minute 27 referred), had decided, inter alia, to recommend to full Council that Article 9.05(2) of the Council's Constitution be amended to state that Tendring District Council would prefer that the Tendring District Association of Local Councils' (TDALC) three nominated members on the Town & Parish Councils' Standards Sub-Committee should represent different parish/town councils.

The Cabinet, at its meeting held on 20 December 2024 (Minute 95 referred), had considered that recommendation, supported it and had also recommended the specific wording of an amendment to Article 9.

It was moved by Councillor M E Stephenson, seconded by Councillor Wiggins and unanimously:-

RESOLVED that Article 9.05(2) of the Council's Constitution be amended to read as follows:-

“(2) Composition:

- Three Members of the Standards Committee and three non-voting co-opted Town and Parish Council members to be nominated by the Tendring District Association of Local Councils;
- The nominated Town and Parish Council members will be of independent standing and will not have served as District or County Councillors for a period of four years prior to their nomination;
- Tendring District Council would also prefer that the nominated Town and Parish Council members represented different parish/town councils; and
- A member (or non-voting co-opted member) of the Town and Parish Councils' Standards Sub-Committee will not be permitted to sit in that capacity for a hearing if that Member is the subject of the complaint or the complainant. A substitute will be permitted, if they have undertaken specific Standards Committee training.”

99. QUESTIONS PURSUANT TO COUNCIL PROCEDURE RULE 11.2

Subject to the required notice being given, Members of the Council could ask questions of the Chairman of the Council, the Leader of the Council, Portfolio Holders or Chairmen of Committees.

No questions on notice had been submitted by a Member on this occasion.

100. SEATING PLAN FOR MEETINGS OF THE FULL COUNCIL IN THE REMAINDER OF THE 2024/2025 MUNICIPAL YEAR

This item had been deferred earlier on in the meeting for the reasons set out in Minute 84 above.

101. URGENT MATTERS FOR DEBATE

No urgent matters had been submitted in accordance with Council Procedure Rules 3(xv), 11.3(b) and/or 13(p) for this meeting.

The Meeting was declared closed at 8.59 pm

Chairman

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COUNCIL

11 FEBRUARY 2025

REPORT OF CABINET

A.1 EXECUTIVE'S PROPOSALS – GENERAL FUND BUDGET AND COUNCIL TAX – 2025/26

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to Council the Executive's General Fund budget proposals for 2025/26.

EXECUTIVE SUMMARY

- The information and recommendations set out in this report reflect the financial forecast considered by Cabinet on 31 January 2025, along with a limited number of subsequent changes.
- As highlighted in the report to Cabinet on 31 January 2025, the following adjustments were outstanding at that time, which have now been reviewed / finalised for inclusion within the final budget proposals as necessary:
 1. Recharges between the GF and HRA.
 2. Income from Business Rates.
 3. Changes emerging from the Final Local Government Finance Settlement and / or other grants / funding, which will include the final position in respect of the proposed reimbursement of the increased national insurance costs that is set out within **Appendix B**.
 4. Any impact from proposed fees and charges.
- In respect of item 3. above, at the time of finalising this report, the Final Local Government Finance Settlement was still awaited. A recommendation is included below to enable the budget to be updated accordingly once confirmation is received.
- The updated forecast for 2025/26, including the changes above, is set out in **Appendix A**. The forecast deficit for 2025/26 of **£0.056m**, that was reported to Cabinet in January, has been revised to an overall net surplus of **£0.839m**. This change is largely due to the final figures associated with income from business rates. This has therefore negated the need to draw money down from the Forecast Risk Fund, and instead a contribution of a corresponding amount to the same fund is proposed.
- **Appendices B and C** set out the Net Savings and Cost Pressures respectively. These remain unchanged from the same appendices considered by Cabinet on 31 January 2025.
- As recommended by Cabinet on 31 January 2025, the Executive's budget proposals set out a Band D Council Tax of **£199.52** in 2025/26, an increase of 2.99% (£5.79), with a Council Tax requirement of **£10.674m**.

- Taking into account the changes to the budget required since Cabinet met on 31 January 2025, the total net General Fund revenue budget for 2025/26 is **£17.660m**, along with a General Fund capital programme totalling **£0.827m**.
- The proposed contribution to the forecast risk fund in 2025/26 as highlighted above provides additional financial flexibility when looking ahead to 2026/27 and beyond.
- Within this context it is acknowledged that the Council needs to maximise the time that the Forecast Risk Fund provides, to identify and deliver the necessary savings to continue to support long term financial sustainability.
- The budget recommended by Cabinet for consideration by Full Council includes only the District and Parish elements of the council tax rather than those from the major precepting authorities. The formal approval of the 'full' Council Tax levy for the year, including the precepts from Essex County Council, Police and Fire, is delegated to the Human Resources and Council Tax Committee which is due to meet later in February 2025.

RECOMMENDATION(S)

That having had regard to the Chief Finance Officer's (S151 Officer) report on the Robustness of Estimates and Adequacy of Reserves in accordance with the requirements under Section 25 of the Local Government Act 2003, and having taken account of any responses to the budget consultation process, the Council approves the 2025/26 budget proposals (based on a 2.99% (£5.79) Band D council tax increase for district services) and agrees:

- i) that the total General Fund net revenue budget for 2025/26 be set at £17.660m (a council tax requirement of £10.674m excluding parish precepts);**
- ii) that the General Fund capital programme be approved totalling £0.827m in 2025/26;**
- iii) the detailed General Fund budget for 2025/26 as set out in Appendix D;**
- iv) the calculation of the Council's Council Tax requirement, Special Expenses and Parish/Town Council precepts, as set out at Appendix F;**
- v) the Council Tax for District and Parish/Town Councils' services as at Appendix I and that these are the amounts to be taken into account for the year in respect of the categories of dwellings listed in different valuation bands; and**
- vi) that subject to the above, if budget adjustments are required such as those necessary to reflect the Final Local Government Finance Settlement and the late notification of other external / grant funding, then in consultation with the Finance and Governance Portfolio Holder, the Council's S151 Officer be authorised to adjust the budgets accordingly with no net impact on the overall budget or capital programme set out above.**

REASON(S) FOR THE RECOMMENDATION(S)

To enable the Council's budget for 2025/26 along with the necessary associated decisions to

be considered for approval. The Council is required to set a balanced budget which is reflected in this report and recommendations.

ALTERNATIVE OPTIONS CONSIDERED

This is broadly covered in the main body of this report along with earlier associated reports.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

A revised Corporate Plan and Vision was approved by Full Council at its meeting on 28 November 2023. One of the 6 included themes is Financial Sustainability and Openness, with a commitment to continue to deliver effective services and get things done whilst looking after the public purse; that means carefully planning what we do, managing capacity, and prioritising what we focus our time, money and assets on. Tough decisions will not be shied away from, but will be taken transparently, be well-informed, and based upon engagement with our residents.

At its meeting on 20 December 2024, Cabinet agreed a number of initial highlight priorities for consultation, which included:

- **Deliver Savings Plan for 2025/26** - To take the necessary steps to implement outstanding items included within the adopted Savings Plan for 2025/26. To review the Saving Plan set against the long-term financial forecast and the impact of the Local Government Finance settlement (as it relates to the District), including the Government's longer term funding review, to develop a 'pipeline' of options for consideration.
- **Develop Savings Plan for 2026/27** - Complete the implementation of the items in the 2025/26 Savings Plan and develop the requirement for Savings in 2026/27 and beyond.
- **Develop a High-Level Transformation Strategy and a Targeted Plan for 2025** - Develop a Transformation Strategy/Plan to include the active management of the Council's costs and liabilities and addressing both supply side and demand side challenges faced by the Council.

The above form important elements of supporting the Council deliver financial sustainability over the life of the forecast. The forecasting and budget setting process will have direct implications for the Council's ability to deliver on its objectives and priorities. The current 10-year approach to the forecast seeks to establish a sound and sustainable budget year on year through maximising income, managing liabilities and cost pressures whilst limiting reductions in services provided to residents, businesses and visitors where possible. The approach set out in this report continues to be set against this wider context.

OUTCOME OF CONSULTATION AND ENGAGEMENT

Internal consultation is carried out via the Council's approach to developing the budget as set out within the Constitution. External consultation also forms part of developing the budget and is carried out early in the year as part of finalising the position for reporting to this meeting of Full Council.

In-line with the above, the Resources and Services Overview and Scrutiny Committee were

consulted on the budget proposals at their meeting on 13 January 2025, with their comments considered by Cabinet on 31 January 2025.

At the time of finalising this report, the required consultation with Business Ratepayers remained on-going and any comments will either be provided ahead of the meeting or directly at this meeting of Full Council.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	YES	If Yes, indicate which by which criteria it is a Key Decision	<input checked="" type="checkbox"/> Significant effect on two or more wards <input checked="" type="checkbox"/> Involves £100,000 expenditure/income <input type="checkbox"/> Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	This item has been included within the Forward Plan for a period in excess of 28 days.

The arrangements for setting and agreeing a budget and for the setting and collection of council tax are defined in the Local Government Finance Act 1992. The previous legislation defining the arrangements for charging, collecting and pooling of Business Rates was contained within the Local Government Finance Act 1988. These have both been amended as appropriate to reflect the introduction of the Local Government Finance Act 2012.

A local authority must budget so as to give a reasonable degree of certainty as to the maintenance of its services. In particular local authorities are required by section 31A(2)(b) and (c) of the Local Government Finance Act 1992 to calculate as part of their overall budget what amounts are appropriate for contingencies and reserves.

Essentially the budget decision meeting of Full Council for the approval of the budget and council tax requirement, is setting the council tax, following a recommendation from Cabinet. Individual amounts are set for expenditure, these are added up and that's how much money the Council requires. Then the Council works out how much money it is likely to get from other sources (charges, grants, investment), the gap after the calculation = council tax.

The Local Government Finance Act 2012 provided the legislative framework for the introduction of the Business Rates Retention Scheme and the Localisation of Council Tax Support.

The Calculation of Council Tax Base Regulations 2012 set out arrangements for calculation of the council tax base following implementation of the Local Council Tax Support Scheme.

The Localism Act 2012 introduced legislation providing the right of veto for residents on excessive council tax increases.

The provisions for business rates retention were brought in under Schedule 1 of the Local Government Finance Act 2012.

Subject to Government guidance, Business Rate Reliefs may be provided using powers under S47 of the Local Government Finance Act 1988, which require a local scheme to be developed and approved. Where reimbursed by the Government, this is done via S31 of the Local Government Act 2003.

Under Section 25 of the Local Government Act 2003, the Chief Finance Officer (S151 Officer) must report to Council, as part of the budget process, on the robustness of estimates and adequacy of reserves. (See **Appendix K**)

In addition to the above, further amending legislation has been introduced since the Local Government Finance Act 1992 that relates to the setting of council tax premiums and discounts, with the latest being the Levelling Up and Regeneration Act 2023.

The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2003 set out the requirements of a Minimum Revenue Provision (MRP) Policy Statement which must be approved by Council each year. In calculating a prudent MRP provision, local authorities are required to have regard to guidance issued by the Secretary of State. The latest guidance, issued under section 21(1A) of the Local Government Act 2003, is applicable from 1 April 2025 which the MRP policy reflects.

In respect of special expenses that form part of the budget setting process, expenditure is classed as a Special Expense if it satisfies the requirements of the Local Government Finance Act 1992, Section 35. The only category relevant to this Council is contained within Section 35(2)(d) relating to concurrent functions with Parish and Town Councils. Under the Local Government Finance Act 1992, the Council must identify as its Special Expense, proposed expenditure on those functions which the Council performs in part of the District but which Parish or Town Councils perform elsewhere in the District. If, in the Council's view, a special expense should properly be charged over the whole of the District's area, the Council may pass an express resolution to this effect (known as a **contrary resolution**).

In order for expenditure to be a Special Expense, there are two conditions that must be fulfilled:

1. Expenditure is estimated to be incurred by the District Council in the whole or part of its area on the provision of a function;
2. Expenditure on the provision of the same function is to be incurred by at least one parish/town council elsewhere in the District.

The Council is also under a broader Best Value Duty that relates to the statutory requirement for local authorities and other public bodies defined as best value authorities in Part 1 of the Local Government Act 1999 ("the 1999 Act") to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". In practice, this covers issues such as how authorities exercise their functions to deliver a balanced budget (Part 1 of the Local Government Finance Act 1992), provide statutory services and secure value for money in all spending decisions.

Best value authorities must demonstrate good governance, including a positive organisational culture, across all their functions and effective risk management. They are also required, pursuant to section 3 of the 1999 Act, to consult on the purpose of deciding how to fulfil the Best Value Duty.

In 2024, the former Government published revised Statutory Guidance on the Best Value Duty of Local Authorities in England under section 26 of the 1999 Act, which best value authorities are required to have regard to. To provide greater clarity to the sector on how to fulfil the Best Value Duty, the statutory guidance sets out seven overlapping themes of good practice for running an authority that meets and delivers best value. These seven best value themes build on the lessons learned from past interventions and reflect what most local authorities already do or are striving to achieve. A detailed description of these themes, including characteristics of a well-functioning local authority and indicators used to identify challenges that could indicate failure, is set out within the revised guidance and financial management and sustainability is a reoccurring expectation throughout the themes and indicators. This report, along with how the Council responds to new or developing issues remains an important element of demonstrating these key requirements.

The Council is legally required to calculate its council tax requirement each financial year. Within this framework is the requirement to monitor and report accordingly on the financial position of the authority against this requirement.

The position set out in this report and the actions proposed are within the Council's powers and reflect the statutory requirements and responsibilities of the Council, including the preparation of its medium-term financial plans and associated budget and setting of the council tax.

The proposals set out in this report are therefore in accordance with the Council's budget and policy framework.

Yes	The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:
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The process for Developing the Budget is set out within the Budget and Policy Framework Procedure Rules, Part 5.14 to 5.16 of the Constitution, which includes the consultation process of the draft Financial Strategy / Forecast setting out the basis on which the budget proposals are intended to be formulated, with the Overview and Scrutiny Committee. Cabinet have had regard to the response received from the Overview and Scrutiny Committee.

Attention is drawn to the on-going reference to the Council's Best Value Statutory Duty and recently published guidance, as set out within the legal requirements section above, along with highlighting that additional decision making will need to be considered as necessary in respect of delivering actions supported by the Council's agreed budget each year.

Within the Best Value Guidance, characteristics of a well-functioning authority are set out under each theme, as part of 'Leadership', an expected standard is that "*The authority's financial strategy and delivery arrangements are aligned with priorities in the corporate plan, and respond appropriately to local need, including the plans of partners and stakeholders.*" This linkage is demonstrated through the reference to the Council's Corporate Plan and draft Highlight Priorities, as set out in the Delivering Priorities section of this report.

The Council's budget makes provision on the basis of Council services which are under consideration will be delivered. The budget does not itself authorise any changes to services and does not assume that changes will be made. Any changes to services will need to be the subject of appropriate consideration by the Cabinet Member or the Cabinet following, where appropriate, consultation and a full report setting out options for change, the impact of the proposed changes on service users, including in particular the impact on different equality

groups. Where a decision is made not to implement any changes then budgetary adjustments may need to be made, however no savings to Council services are currently identified.

The obligation to make a lawful budget each year is shared equally by each individual Member, at Full Council following recommendations from the Cabinet. In discharging that obligation, Members owe a fiduciary duty to the Council Taxpayer. The budget must not include expenditure on items which would fall outside the Council's powers. Expenditure on lawful items must be prudent, and any forecasts or assumptions such as rates of interest or inflation must themselves be rational. Power to spend money must be exercised bona fide for the purpose for which they were conferred and any ulterior motives risk a finding of illegality. In determining the Council's overall budget requirement, Members are bound to have regard to the level of Council Tax necessary to sustain it. Essentially the interests of the Council Taxpayer must be balanced against those of the various service recipients.

FINANCE AND OTHER RESOURCE IMPLICATIONS

The financial implications are set out in the body of the report.

Although the availability of financial resources is a key component in the delivery of services there will also need to be appropriate input of other resources such as staffing, assets and IT.

The long-term approach to the forecast set out in this report has been discussed with the Council's new External Auditor, albeit informally. There were no major concerns raised but they will undertake their own independent and detailed review as part of their commentary on the Council's use of resources, which is expected to be reported to the Council later in February.

Yes **The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

The S151 Officer is the author of this report.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	This is addressed in the body of the report. In terms of an independent view, the Council's previous External Auditor recently submitted their Annual Report that includes their commentary on the Council's use of resources. The report was considered by the Council's Audit Committee on 9 December with the Auditor's headline statement as follows: <i>"Our VFM work for 2020/21 to 2022/23 has not identified any significant weaknesses in the Authority's arrangements".</i>
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	

MILESTONES AND DELIVERY

This report forms the final element of the Council's annual budget setting process, with the final budget proposals set out in this report being considered by Full Council in advance of the year that they relate to.

ASSOCIATED RISKS AND MITIGATION

There are significant risks associated with forecasting such as cost pressures, inflation and changes to other assumptions that form part of the financial planning process. The Council's response has been set out in earlier reports and reflected within this report as necessary and will continue to be addressed as part of the future financial update reports.

The cost pressures included within the proposed budget broadly reflect unavoidable items and it is therefore recognised that potential additional financial demands may emerge going forwards. This has been mitigated to date with timely interventions during the year to address a range of emerging risks with any on-going impact included in **Appendix C** where necessary. The Council needs to remain alert to additional items that may emerge, including opportunities for investment to support the development of the forecast and Council priorities, which will remain subject to on-going review as part of the various financial reports presented to Cabinet during the year along with the potential and associated use of the Corporate Investment Fund which currently totals **£3.614m**. In addition, and as set out in earlier reports, money has also been set aside in an associated reserve to help mitigate cost pressures associated with the repair and maintenance of Council assets. When they arise, they are usually significant and the approach taken aims to further 'protect' the underlying revenue budget from such items as far as possible.

In previous reports, it was highlighted that there were likely to be emerging risks associated with the establishment of the Office for Local Government (OFLOG). The Government have confirmed that they are no longer implementing this office / body and therefore subject to any further announcements, this risk has now been removed.

As set out in **Appendix A**, the Forecast Risk Fund remains a key element of the long-term plan approach. However, it is important to note that the Council still prudently maintains reserves to respond to significant / specific risks in the forecast such as **£1.758m** (NDR Resilience Reserve) and **£1.000m** (Benefits Reserve), which can be taken into account during the period of the forecast if necessary. The Council also holds **£4.000m** in uncommitted reserves, which reflects a best practice / risk-based approach to support its core financial position.

As highlighted within a table further on in this report, the Forecast Risk Fund is estimated to be depleted during 2030/31, which adds further financial risks and challenges and will require further savings to be identified to deliver a sustainable financial position, which has been acknowledged within the highlight priorities mentioned earlier. It is also worth highlighting that opportunities may arise where additional money could be added to the Forecast Risk Fund over the forecast period, which may provide further flexibility and context to the requirement to identify savings going forward.

The forecast will remain 'live' and be responsive to changing circumstances and it will be revised on an on-going basis. If unfavourable issues arise, that cannot be mitigated via other changes within the forecast then the forecast will be adjusted and mitigating actions taken, which could include an increase to the level of savings required. Actions to respond will therefore need to be considered but can be taken over a period of more than one year. In respect of this latter point, it is important to also highlight that like many other Councils, this Council has had to rely on the use of reserves to balance its budget, albeit in a planned way via the Forecast Risk Fund. It is essential that the Council continues to work towards delivering in-year balanced budgets as soon as possible rather than continue to rely on reserves, which is not sustainable in the longer term.

The outcome from risk management reviews are planned to be reported as part of the quarterly financial performance reports throughout the year (the latest one being reported to Cabinet on 20 December 2024). It is important to highlight that there are no new / significant adverse issues that have arisen in terms of the annual Forecast Risk Fund surpluses since the last position was reported. The associated risk management appendix has therefore not been repeated as part of this report. However, it will continue to form part of the regular reporting of the financial forecast going forward as necessary.

EQUALITY IMPLICATIONS

There are no direct implications that significantly impact on the financial forecast at this stage. However, the ability of the Council to appropriately address such issues will be strongly linked to its ability to fund relevant schemes and projects and determination of the breadth and standard of service delivery to enable a balanced budget to be agreed.

An impact assessment will be undertaken as part of any separate budget decisions such as those that will be required to deliver savings.

Special expenses are based on the principle of ensuring there is equality across the district in levying council tax to residents based on services and facilities provided by Town and Parish Councils in specific areas that are also provided by the District Council.

SOCIAL VALUE CONSIDERATIONS

There are no direct implications that significantly impact on the financial forecast / proposed budget.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

There are no direct implications that significantly impact on the financial forecast / proposed budget.

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder	Please see comments above
Health Inequalities	
Area or Ward affected	

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND BUDGET PROPOSALS 2025/26

On 31 January 2025 Cabinet considered the following report:-

A.3 UPDATED GENERAL FUND FINANCIAL FORECAST / BUDGET 2025/26

It was resolved that Cabinet:

- a) *approves the updated financial forecast, as set out in Appendix A to the Report of the Corporate Finance & Governance Portfolio Holder (A.3), along with the savings and cost pressures set out in Appendices B and C respectively that form the firm proposals for the 2025/26 budget and recommends to Full Council:-*

a Band D Council Tax for district services of £199.52 for 2025/26 (a 2.99% increase), along with the associated council tax requirement of £10.674m.

- b) *authorises the Portfolio Holder for Corporate Finance and Governance, to agree the 'technical' appendices and resolutions for the budget proposals for recommending to Full Council on 11 February 2025;*
- c) *authorises the Chief Executive, in consultation with the Corporate Finance and Governance Portfolio Holder, to report directly to Council in respect of the formal resolutions necessary to implement the Executive's budget proposals including any further amendments emerging from additional information becoming available and/or notifications received from the Government; and*
- d) *authorises the Portfolio Holder for Corporate Finance and Governance, to agree / adopt a Retail, Hospitality and Leisure mandatory business rate relief scheme for 2025/26 along with any other changes to reliefs that may be announced by the Government.*

In respect of item (b) above, this report's recommendations and appendices form the 'technical' and formal budget resolutions required to be considered by Full Council to determine the level of council tax and Budget for 2025/26. As agreed, in (a) above, the Band D council tax for district services of **£199.52** for 2025/26 (a £5.79 increase), along with the associated council tax requirement of **£10.674m**, remain unchanged to the position considered and agreed by Cabinet on 31 January 2025.

CHANGES SUBSEQUENT TO THE CABINET'S PROPOSALS OF 31 JANUARY 2025

As set out in the report to Cabinet on 31 January 2025, the following budget adjustments remained outstanding at that time:

- Recharges between the GF and HRA
- Income from Business Rates
- Changes emerging from the Final Local Government Finance Settlement and / or other grants / funding, which will include the final position in respect of the proposed reimbursement of the increased national insurance costs that is set out within **Appendix B**.
- Any impact from proposed fees and charges

These have now been reviewed / finalised with any necessary changes required to the forecast being set out in **Appendix A**, along with further details as follows:

- **Income from Business Rates – additional net income of £0.719m has been included in the forecast. (Line 5 – Appendix A)**

The figure highlighted above is over and above the **£0.700m** already included within **Appendix B** and reflects the outcome from the detailed and complex business rate calculations.

Full details were set out in an associated and 'technical' NNDR1 return that was recently agreed by the Portfolio Holder for Finance and Governance and submitted to the Government as required. The latest forecast and budget proposals therefore reflect the information set out in the NNDR1 return for 2025/26 and include a number of assumptions

such as the reimbursement from the Government to meet the loss of income from 'freezing' the small business rate multiplier and the on-going provision of various business rate reliefs etc. The figures also reflect the on-going impact from the Freeport Tax site, which remains subject to review as part of the associated agreement with the Council's external partners.

As highlighted in earlier reports and forecasts, there was the expectation of the Government 'clawing back' gains from the last national business rate revaluation exercise in 2023. This risk has reduced following the activities highlighted above, which accounts for the primary reason for the estimated increase in income since Cabinet's meeting in January. This is complemented by underling business rate growth across the District.

- **Recharges and Other Adjustments – additional net income of £0.176m has been included in the forecast. (Line 16 - Appendix A)**

This primarily reflects the associated impact from the annual review of the recharges between the General Fund and HRA.

Final Local Government Financial Settlement 2025/26

At the time of finalising this report, the Government had not yet announced the final settlement figures. Once received, the budget will be updated in accordance with the delegation set out in the recommendation above, with any adjustment proposed to be set against the Forecast Risk fund as necessary. This approach also applies to any other additional grants from the Government or other funding bodies, which will be adjusted against the Forecast Risk Fund or other line of the budget as required.

The Government has however recently announced the Homelessness Prevention Grant amount for 2025/26. This totals **£1.457m**, which will continue to support the Council's associated costs.

The report considered by Cabinet on 31 January 2025 highlighted a number of changes to the Local Government Settlement for 2025/26, along with some important changes from 2026/27 that are highlighted later on in this report.

Impact from Fees and Charges

At the time of finalising this report, a number of fees and charges remain subject to approval. Work will remain in progress to ensure that the various fees and charge schedules are agreed ahead of the start of the 2025/26 financial year. Therefore, no budget adjustments are included in the forecast at the present time.

Once finalised, any impact on the budget will be subject to separate reports, such as the regular financial performance reports that are presented to Cabinet during the year.

Appendices B and C set out the net savings and cost pressures included in the budget respectively. The figures remain unchanged from those reported to Cabinet on 31 January 2025. In terms of cost pressures, their possible mitigation continues to form an important element of the long-term financial plan. The cost pressures identified for inclusion in the budget largely reflect unavoidable items, including the on-going impact of items identified as part of earlier financial performance reports.

After taking account of the above, the revised forecast set out in **Appendix A** highlights an overall surplus position for 2025/26 of **£0.839m**. This is net change of **£0.895m** compared to the earlier forecast deficit of **£0.056m** reported to Cabinet on 31 January 2025. This has

resulted in a contribution being made to the Forecast Risk Fund rather than calling money down from the same fund that was expected within earlier forecasts. This therefore provides the Council with additional financial flexibility in terms of managing cost pressures and savings in 2026/27 and beyond.

Appendices D to J set out the 'technical' budget / financial information required to be presented to Full Council to enable it to consider and agree the level of council tax and Budget for 2025/26.

As highlighted in earlier reports, the Council will continue to be a member of the Council Tax Sharing Agreement and Essex Business Rates Pool along with ECC and other participating Essex Local Authorities in 2025/26, with the proposed budget including the associated financial benefits.

Sensitivity testing has been undertaken with the outcomes set out in Table 1 within **Appendix A**. It is worth highlighting that the forecast remains sensitive to relatively minor changes to assumptions. For example, only relatively minor changes to existing assumptions can have a significant impact on the annual position along with the balances held in the Forecast Risk Fund. However it is important to highlight that the current Forecast Risk Fund can support the longer term plan with surplus balances estimated to remain in the Fund until 2030/31.

SPECIAL EXPENSES 2025/26

Special expenses have now been finalised and as set out within earlier reports, the principles against which the special expenses have been determined have remained the same as previous years as summarised below:

- A de minimus amount of **£0.025m** is applied to determine which expenses are excluded from the special expenses calculations;
- Any allocation to specific areas less than **£0.001m** are excluded for the purposes of determining special expenses.

For completeness, the underlying technical background to the calculation of special expenses is set out below:

Certain expenditure referred to as 'Special Expenses' is regarded as being chargeable to only certain parts of the district. The rest of the Council's expenditure is regarded as being chargeable over the whole district and is referred to as 'General Expenses'. Local authorities have the power to pass a resolution in respect of any particular Special Expense to the effect that the amount of that expense should be charged across the whole district. This is referred to as the contrary resolution.

In exercising this power, the Council also has to consider how the burden of Special Expenses will be charged to the taxpayers of the district.

Information from Parish/Town councils

Each year Parish Councils complete a return to identify changes to the services they undertake

Consideration of Determining the Contrary Resolution

In judging whether the contrary resolution should be passed in respect of any special expenses, the following matters are relevant:

- i) Whether in respect of this Council's expenditure the function is to be provided generally for the whole district or is to be restricted to a part or parts of the district?*
- ii) To what extent, if any, are restrictions placed on any part of the district as to the accessibility of the function?*
- iii) The use of the facility/activity to which the Special Expense relates.*

These matters must each be considered and a view taken as to whether it would be appropriate to pass the contrary resolution in respect of some of the budgeted expenditure on Special Expenses.

In determining how the burden of special items should be charged to the taxpayer of the district, the following matters need to be considered.

- i) Where is the facility situated?*
- ii) Who uses it?*
- iii) How much expenditure is to be spent in the various parts of the district?*

Wherever possible the Council aims to charge the cost incurred in performing a function in a part of the district, to the taxpayers of that part. In assessing the area of benefit to which a function identified as a special expense relates, parish boundaries have been treated as the appropriate areas.

The tax base for apportioning Special Expenses to each parish and the unparished area is that used to determine the Council's overall Council Tax base.

The outcome of the above in terms of the calculation of special expenses for 2025/26 are set out within **Appendix E**.

GENERAL FUND BUDGET SUMMARIES

The 2025/26 revenue budget and capital programme are summarised below. In respect of the revenue budget, this reflects the proposed Band D council tax increase of 2.99% (£5.79) for this Council's services in 2025/26.

Table 1 – General Fund Revenue Budget

	2024/25 Original £m	2025/26 Original £m
Net Cost of Services	20.884	18.183
Revenue support for capital investment	0.070	0.070
Financing items	(5.070)	(1.398)
Net Expenditure	15.884	16.855
Net Use of Earmarked Reserves	(0.761)	0.805

Total Net Budget*	15.123	17.660
Business Rates (<i>excl. S31 Govt. Grant funding</i>)	(3.357)	(4.822)
Revenue Support Grant	(0.767)	(0.815)
Collection Fund (Surplus) / Deficit*	(0.951)	(1.349)
Council Tax Requirement (for Tendring District Council)	10.048	10.674
Parish Precepts	2.541	2.750
Council Tax Requirement (as per Requisite Calculations)	12.589	13.424

Table 2 – General Fund Capital Programme

	2025/26 £m
EXPENDITURE	0.827
FINANCING	
Government Grants	0.757
Direct Revenue Contributions	0.070
Total Financing	0.827

ROBUSTNESS OF THE ESTIMATES AND ADEQUACY OF RESERVES

Appendix K sets out the Chief Finance Officer's (S151 Officer) report on the Robustness of the Estimates and the Adequacy of the Reserves as required by section 25 of the Local Government Act 2003.

Taking into account all the relevant issues, the estimates can be considered as robust and are supported by adequate reserves.

In respect of reserves, as part of the budget setting process, a timely review of the appropriateness of the level of reserves was undertaken, with the outcome reported to Cabinet at its December meeting.

As highlighted in the December report to Cabinet, there remains the need to continue to maintain a number of reserves to support key actions / activities as part of the Council's overall prudent and sustainable approach to managing its finances.

Although a more detailed statement by the S151 is set out within **Appendix K** as mentioned above, the current level of reserves remains adequate and will remain under on-going review as part of updating the 'live' forecast and in light of any emerging risks or changes to the risk environment.

In terms of the formulation of the budget for 2025/26, it is set against the context of the longer-term forecast. Taking the most up to date position set out in this report, the expected annual position for each remaining year of the forecast is as follows:

Year	Net Budget Position (including adjusting for prior year use of reserves etc. to balance the budget)*	Forecast Risk Fund - Estimated Balance at the end of the year
2026/27	£0.785m deficit	£6.969m surplus
2027/28	£1.512m deficit	£5.707m surplus
2028/29	£2.228m deficit	£3.729m surplus
2029/30	£2.955m deficit	£1.024m surplus
2030/31	£3.687m deficit	£2.412m deficit
2031/32	£4.426m deficit	£6.588m deficit
2032/33	£5.170m deficit	£11.508m deficit
2033/34	£5.921m deficit	£17.179m deficit

As set out in earlier reports, in terms the underlying context to the development of the budget for 2025/26, it is worth highlighting the following comment: *In terms of the later years of the forecast, it is important to highlight the significant challenges arising from inflationary increases, which are expected to exceed our ability to raise income from council tax and business rates. Therefore, at some reasonable point in the future, the Council must be able to put itself in the position of balancing its annual budget, otherwise the position is not sustainable. Based on the current forecast position, the expected annual imbalance between expenditure and income [from 2027/28 onwards] is approximately £0.700m. This would therefore require corresponding annual on-going savings to be realised over the full forecast period to enable a balanced budget to be set each year.*

Notwithstanding the above, the Council's long-term plan and Forecast Risk Fund provide flexibility and support, against which the development of the Council's forecast can be considered and it continues to provide the time and opportunity to respond to the structural annual budget deficits that are still estimated to remain.

It is also worth repeating the point highlighted earlier in this report relating to the Council's initial highlight priorities, where the on-going delivery of a savings plan has been reflected as a key activity during 2025/26.

It is also worth highlighting the Government's proposed changes to future year's Local Government Financial settlements, which include the following:

- The intention to 'reset' the business rates retention system, as was originally intended when the previous government established the system. The Government stated that this is long overdue given that there has been no reset of the system since its introduction in 2013/14 and that a reset will allow them to match funding to where it is needed most. The reset will apply nationally, but business rates growth generated within designated areas such as Freeports, Enterprise Zones and Investment Zones will be exempt in line with current policy. A period of consultation will be undertaken to inform the above work.
- From 2026/27, the Government want to fundamentally improve the way they fund Councils and direct funding to where it is most needed, based on an up-to-date assessment of need and local resources. These reforms will build on the proposals set out in the previous Government's review of Relative Needs and Resources (also

referred to as the 'Fair Funding Review'), using the best available evidence to inform local authority funding allocations. The Government have stated their intention to move gradually towards an updated system and will invite views on possible transitional arrangements to determine how local authorities reach their new funding allocations. It is expected that a period of consultation will be undertaken to inform the above work.

- The Government stated that 2025/26 will be the last year of the New Homes Bonus in its current form. They plan on consulting on proposals for reforming the NHB beyond 2025/26 in due course.

The above introduces a number of challenges, not least the uncertainty in the short term that makes forecasting beyond 2025/26 difficult. It is also worth highlighting the potential impact of Local Government devolution / LGR which could make financial planning even more challenging over the forecast period. Such issues will need to remain highlighted within the forecast risk table that accompanies the wider forecast (the most recent update was presented to Cabinet at its 20 December 2024 meeting) and further updates will be provided during 2025/26 as necessary.

PREVIOUS RELEVANT DECISIONS

Executive's Proposals – General Fund Budget and Council Tax 2024/25 – Item A.1 Full Council 13 February 2024.

Financial Performance Report 2024/25 – General Update at the end of July 2024 - Item A.2 Cabinet 21 October 2024.

Financial Performance Report 2024/25 – General Update at the end of September 2024 - Item A.8 Cabinet 15 November 2024.

Reference from the Cabinet - A.2 - Local Council Tax Support Scheme 2025/2026; Discretionary Council Tax Exemptions, Discounts and Premiums for 2025/2026; and Annual Minimum Revenue Provision Policy Statement for 2025/2026 – Full Council 26 November 2024.

Updated General Fund Financial Forecast / Budget 2025/26 – Item A.5 Cabinet 20 December 2024.

Updated General Fund Financial Forecast / Budget 2025/26 – Item A.3 Cabinet 31 January 2025.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Appendix A - Updated Financial Forecast 2025/26

Appendix B - Savings Plan

Appendix C - Cost Pressures

Appendix D - Detailed General Fund Revenue Estimates, Capital Programme and Reserves 2025/26

Appendix E - Special Expenses 2025/26

Appendix F - Requisite Budget Calculations 2025/26

Appendix G - Calculation of District and Parish / Town Council Taxes for All Areas 2025/26

Appendix H - Precepts on the Collection Fund 2025/26

Appendix I - District and Parish/Town Council Tax Amounts 2025/26. *(excludes Council Tax amounts for County, Fire and Police services 2025/26 which will form part of the final Council Tax setting process via the Human Resources and Council Tax Committee)*

Appendix J - Calculation of Estimated Surplus on the Collection Funds for 2025/26

Appendix K - Chief Finance Officer's (S151 Officer) report on the Robustness of the Estimates and the Adequacy of the Reserves

REPORT CONTACT OFFICER(S)

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Line	Budget 2024/25	Estimate 2025/26	Estimate 2025/26	Estimate 2025/26 Change Between January and February	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30	Estimate 2030/31	Estimate 2031/32	Estimate 2032/33	Estimate 2033/34
	£	£	£	£	£	£	£	£	£	£	£	£
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Underlying Funding Growth in the Budget												
1 Council Tax Increase 1.99%	(0.191)	(0.200)	(0.200)	0.000	(0.204)	(0.208)	(0.212)	(0.216)	(0.221)	(0.225)	(0.230)	(0.234)
2 Ctax increase by £5 (amounts set out are over and above 1.99% above)	(0.064)	(0.059)	(0.059)	0.000	(0.055)	(0.051)	(0.047)	(0.043)	(0.039)	(0.034)	(0.030)	(0.025)
2a Council Tax Increase - upto 2.99% (amounts set out are over and above lines 1 & 2 above)	(0.032)	(0.041)	(0.041)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
3 Growth in Business Rates - Inflation	0.000	(0.158)	(0.158)	0.000	(0.152)	(0.183)	(0.196)	(0.200)	(0.204)	(0.208)	(0.212)	(0.217)
4 Growth in Council Tax - general property / tax base growth	(0.158)	(0.325)	(0.325)	0.000	(0.112)	(0.115)	(0.118)	(0.120)	(0.123)	(0.126)	(0.129)	(0.131)
5 Growth in Business Rates - general property / tax base growth	(0.636)	0.540	(0.179)	(0.719)	(0.066)	(0.071)	(0.076)	(0.082)	(0.087)	(0.093)	(0.098)	(0.104)
6 Collection Fund Surpluses b/fwd - Ctax	(0.159)	(0.213)	(0.213)	0.000	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
7 Collection Fund Surpluses b/fwd - BR	(0.792)	(1.135)	(1.135)	0.000	(0.150)	(0.150)	(0.150)	(0.150)	(0.150)	(0.150)	(0.150)	(0.150)
	(2.032)	(1.591)	(2.310)	(0.719)	(0.839)	(0.878)	(0.899)	(0.911)	(0.924)	(0.936)	(0.949)	(0.961)
Net Cost of Services and Other Adjustments												
8 Change in RSG (including other financial settlement funding)	(0.571)	0.619	0.619	0.000	0.420	0.000	0.000	0.000	0.000	0.000	0.000	0.000
9 Remove one-off items from prior year	(0.375)	(0.396)	(0.396)	0.000	(0.329)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
10 Remove one-off items from prior year - Collection Fund Surplus	0.784	0.951	0.951	0.000	1.348	0.250	0.250	0.250	0.250	0.250	0.250	0.250
11 LCTS Grant To Parish Council's	0.006	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
12 Revenue Contrib. to Capital Programme	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
13 Specific change in Use of Reserves	(0.216)	(0.056)	(0.056)	0.000	0.075	0.000	0.000	0.000	0.000	0.000	0.000	0.000
14 Changes to Savings Identified in Prior Years - E.g. On-going Impact	0.000	0.395	0.395	0.000	0.446	0.000	0.000	0.000	0.000	0.000	0.000	0.000
15 On-going Savings Identified / Achieved	(1.242)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
16 Other Adjustments	(0.072)	0.000	(0.176)	(0.176)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
17 Use of New Homes Bonus	(0.500)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
18 Gain from Essex Business Rates Pool Membership	(0.400)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	(2.586)	1.513	1.337	(0.176)	1.960	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Cost Increases												
19 Inflation - Employee / Members Allowance Costs (including annual review adjustments)	1.537	1.540	1.540	0.000	0.739	0.628	0.638	0.648	0.659	0.670	0.681	0.692
20 Inflation - Other	0.390	0.246	0.246	0.000	0.184	0.226	0.227	0.240	0.247	0.255	0.262	0.270
21 Unavoidable / Other Cost Pressures	1.716	1.157	1.157	0.000	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Line	3.643	2.943	2.943	0.000	1.423	1.354	1.365	1.388	1.406	1.425	1.443	1.462
22 Add back Use of Forecast Risk Fund / Reserves in Prior Year*	1.236	0.261	0.261	0.000	(0.839)	0.785	1.512	2.228	2.955	3.687	4.426	5.170
23 ANNUAL Structural Budget Deficit / (Surplus) Before Required 'Savings'	0.261	3.126	2.231	(0.896)	1.705	1.512	2.228	2.955	3.687	4.426	5.170	5.921
24 On-going Savings Required	0.000	(3.070)	(3.070)	0.000	(0.920)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
25 ANNUAL Structural Budget Deficit / (Surplus) After Required 'Savings'	0.261	0.056	(0.839)	(0.896)	0.785	1.512	2.228	2.955	3.687	4.426	5.170	5.921
26 Use of Forecast Risk Fund / Other Reserves to support the ANNUAL Structural Deficit (line 25)*	(0.261)	(0.056)	0.839	0.896	(0.785)	(1.512)	(2.228)	(2.955)	(3.687)	(4.426)	(5.170)	(5.921)

* 2024/25 figure reported to Full Council in February 2024 was subsequently amended to reflect an additional £187k receivable from the Government as part of the wider Financial Settlement

Use of Forecast Risk Fund to Support the Net Budget Position Above

	Budget 2024/25	Estimate 2025/26	Estimate 2025/26	Estimate 2025/26 Change	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30	Estimate 2030/31	Estimate 2031/32	Estimate 2032/33	Estimate 2033/34
		Reported to Cabinet January 25	Proposed Final Position February 25	Between January and February								
	£	£	£	£	£	£	£	£	£	£	£	£
Outturn b/fwd from prior years	(6.426)	(6.415)	(6.415)	0.000	(7.504)	(6.969)	(5.707)	(3.729)	(1.024)	2.412	6.588	11.508
Applied in year as set out in the forecast above	0.261	0.056	(0.839)	(0.896)	0.785	1.512	2.228	2.955	3.687	4.426	5.170	5.921
Additional contributions generated / required in year	(0.250)	(0.250)	(0.250)	0.000	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)
Balance to Carry Forward	(6.415)	(6.609)	(7.504)	(0.896)	(6.969)	(5.707)	(3.729)	(1.024)	2.412	6.588	11.508	17.179

FORECAST SENSITIVITIES - TABLE 1

Impact on Forecast Risk Fund - Year End Balance

Forecast Year End Balance from table above (BASE Position)	(6.969)	(5.707)	(3.729)	(1.024)	2.412	6.588	11.508	17.179
Council Tax Increase are lower by 1% per annum compared to the base	(6.812)	(5.237)	(2.791)	0.535	4.745	9.846	15.842	22.738
Council Tax Property Growth does not grow over the life of the forecast	(6.857)	(5.368)	(3.046)	0.124	4.148	9.038	14.800	21.444
Inflation increases at a rate of +1% faster than the base - Employee Costs	(6.721)	(4.950)	(2.189)	1.587	6.395	12.258	19.195	27.229
Inflation increases at a rate of +1% faster than the base - Other	(6.892)	(5.472)	(3.249)	(0.207)	3.666	8.383	13.955	20.397
Savings achieved are lower by 10%	(6.877)	(5.523)	(3.453)	(0.656)	2.872	7.140	12.152	17.915
Savings achieved are lower by 30%	(6.693)	(5.155)	(2.901)	0.080	3.792	8.244	13.440	19.387
Unmitigated Cost Pressures are greater by 30%	(6.819)	(5.257)	(2.829)	0.476	4.662	9.738	15.708	22.579
Unmitigated Cost Pressures are greater by 50%	(6.719)	(4.957)	(2.229)	1.476	6.162	11.838	18.508	26.179

Savings Plan - Forecast 2025/26 and Beyond

Description	Totals	On-going / One-off	Planned Delivery / Impact 2025/26	Planned Delivery / Impact 2026/27	Comments
Income Budgets					
Business Rate Income	700,000	On-going	700,000	0	Additional anticipated income from business rates - this is the estimated impact from a mix of regeneration / economic growth, transitional arrangements following revaluation and less pessimistic forecasting
Revenue Support Grant / Financial Settlement	1,298,000	On-going	878,000	420,000	The revised position reflects the Provisional Local Government Finance Settlement announced on 18 December 2024.
Rent Reviews	30,000	On-going	30,000	0	Additional income will be generated from the usual rent reviews undertaken as part of the underlying existing lease agreements
VAT on Leisure Fees	265,000	On-going	265,000	0	Following further review, the originally anticipated favourable VAT status has been confirmed.
Treasury Investment Income	215,000	On-going	215,000	0	Although a reduction in income was included within original forecasts, based on the current trajectory of future interest rate reductions, it is likely that additional income will be generated in the short to medium term years of the forecast.
Government's Commitment to Fund Cost of National Insurance Increases	474,300	Potentially On-going (subject to future LG funding settlements)	474,300	0	In addition to the item above relating to the Revenue Support Grant, the Government have committed to reimburse Local Councils for the additional cost of the recently announced changes to employers national insurance rates. The Government announced as part of the Provisional Local Government Finance Settlement that Local Authorities will receive notification of the actual figure as part of final settlement figures that will be published at the end of January / beginning of February.
Inter Authority Agreement with ECC relating to Food Waste	21,480	On-going	21,480	0	Additional income is due to the Council as part of the underlying agreement with ECC.
Income from the Council Tax Sharing Agreement with the Major Preceptors	155,860	On-going (subject to future agreements)	155,860	0	Following the on-going income recovery performance post COVID19, additional income is estimated to be receivable under the terms of the current agreement.
Expenditure Budgets					
Asset review	220,000	On-going	120,000	100,000	This represents estimated savings from reviewing the Council's operational assets and further possible rationalisation opportunities.
IT Savings	200,000	On-going	50,000	150,000	A number of activities are underway to support the delivery of savings and/or the mitigation of increased costs.
Energy Costs - Leisure Centres	50,000	On-going	50,000	0	As previously reported, following the implementation of a number of energy saving initiatives, energy budgets are likely to be reduced - this is subject to the wider / underlying price volatility relating to utility costs.
Wireless Access Point Licences	10,000	On-going	10,000	0	As previously reported, there will be savings from the annual licence fee for the Council's Wireless Access Points across its estate.
Initial PFH Savings 'Allowance'	250,000	On-going	0	250,000	This represents the potential aggregate of savings from reviews undertaken by Portfolio Holders in consultation with Services.
Beach Hut Leases Review	100,000	On-going	100,000	0	Although the necessary re-investment will be undertaken in terms of seafront assets and amenities, there is now greater flexibility in the use of income generated from beach huts across the Council's wider budget.
Total	3,989,640		3,069,640	920,000	

COST PRESSURE SUMMARY

					Proposed Budget Adjustments										
	Adjustments made to the budget to date in 2024/25	On-Going Base Budget Adjustment Included in 2024/25 £	2024/25 One-Off Additional Amount Agreed Earlier in the Year £	Total Adjustments 2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £	2030/31 £	2031/32 £	2032/33 £	2033/34 £	Comments	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
On-going Items															
Insurance Premiums Costs	Base Budget 24/25 - £26k Q1 Financial Performance Report 2024/25 - Further £25k	26,000	25,230	51,230	31,730	31,730	31,730	31,730	31,730	31,730	31,730	31,730	31,730	This item reflects the most up to date position following the recent renewal process. Costs may increase further during 2025/26 but this will not be known until the next renewal process is undertaken during the summer / autumn of 2025. This will therefore be kept under on-going review as part of the Financial Performance reports during next year.	
Commercial Investment Property Potential Revenue Income Reduction	Base Budget 24/25	0	0	0	0	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	The current lease agreement for the investment property in Clacton comes to an end in 2025/26. The adjustment proposed allows for a potential reduction in the rent payable (from approx. £225k per annum to £100k per annum) from 2026/27. This will be subject to further review / revision over the life of the remaining years of the existing lease agreement, with the adjustment proposed reflecting a pragmatic / prudent view for the purposes of the forecast.	
Homelessness Costs	Base Budget 24/25 - £500k Outturn Report 2023/24 - Further £500k Q2 Financial Performance Report 2024/25 - Further £1.2m	500,000	1,700,000	2,200,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	This area of the budget remains a significant financial challenge, although the Government have committed to providing extra funding to support Local Authorities. Although Spendells House will have a significant positive impact, it is likely that additional costs will be incurred over and above the £500k included in the base budget from 2024/25 onwards. With this in mind, a further sum of £500k has been included from 2025/26, which will be reviewed in light of any additional financial support emerging from the Local Government Finance Settlement.	
Vehicle Hire Costs	Base Budget 24/25	34,100	0	34,100	8,500	62,400	62,400	62,400	62,400	62,400	62,400	62,400	62,400	This reflects the cost associated with the rolling replacement of various existing fleet vehicles used within Services.	
Career Track Net Revenue Position	Q3 Financial Performance Report 2023/24 - £25k Outturn Report 2023/24 - Further £50k	0	75,000	75,000	50,000	40,000	30,000	20,000	10,000	0	0	0	0	As previously reported the Service continues to work towards reducing the overall subsidy where possible. This amount reflects a revised approach where a phased reduction in the required subsidy is proposed from 2025/26 onwards.	
Reduction in recreation grounds income - general hire and bookings	Q1 Financial Performance Report 2024/25	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	This adjustment recognises the on-going reduced income being experienced across the Council's various recreation grounds.	

	Adjustments made to the budget to date in 2024/25	On-Going Base Budget Adjustment Included in 2024/25 £	2024/25 One-Off Additional Amount Agreed Earlier in the Year £	Total Adjustments 2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £	2030/31 £	2031/32 £	2032/33 £	2033/34 £	Comments
Software Licences	Q1 Financial Performance Report 2024/25	0	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	This reflects the on-going impact from a decision in 2024/25. As part of previous discussions, it was highlighted that the Council is working with other LA partners with the aim of developing viable alternatives to the associated property case management system (IDOX) which is becoming increasingly important due to the increased costs associated with our existing software provider.
Merchant Acquirer Fees	Q1 Financial Performance Report 2024/25	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	With an increase in people paying by credit / debit card, the associated cost to the Council of accepting cards also increases. This however remains a cost effective mechanism to accept payments.
Tendring E-Newsletter	Q2 Financial Performance Report 2024/25	0	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	This cost pressures relates to the purchase of software to support the publication of a regular e-newsletter. This is a priority action as part of the Council's Communication Strategy / Highlight Priority actions.
Car Parks - Additional merchant acquirer costs to facilitate payment by credit / debit cards	Q2 Financial Performance Report 2024/25	0	19,000	19,000	19,000	On-going cost to be funded from Parking Income from 2025/26 onwards								
External Audit Fees	New / Additional Sum	112,000	0	112,000	74,000	74,000	74,000	74,000	74,000	74,000	74,000	74,000	74,000	This cost pressure reflects the continuing increase in costs associated with the work of the External Auditor, from both a statutory perspective and where they are commissioned to undertake the certification of grant claims work required by the Government.
Members Code of Conduct - Responsibilities under Localism Act 2011 e.g. Review of Complaints / Investigations	New	0	0	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	This reflects the increased costs expected to continue on an on-going basis from 2025/26.
Independent Remuneration Panel Allowances	New	0	0	0	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	This reflects the decision made by Full Council on 26 November 2024, where allowances for members of the panel were highlighted / agreed.
Electoral Registration	New	0	0	0	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	This reflects increased postage costs being incurred. The Service are exploring opportunities to reduce this cost where possible.
Clacton Leisure Centre - 'Regular' Repairs & Maintenance Costs	New	0	0	0	17,000	On-going cost to be funded from Leisure Income from 2025/26 onwards								

	Adjustments made to the budget in 2024/25	On-Going Base Budget Adjustment Included in 2024/25 £	2024/25 One-Off Additional Amount Agreed Earlier in the Year £	Total Adjustments 2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £	2030/31 £	2031/32 £	2032/33 £	2033/34 £	Comments
Clacton Leisure Centre - 3G Pitch - Future Replacement Fund to ensure money is available when necessary in line with the associated external funding agreement.	New	0	0	0	7,000	On-going cost to be funded from Pitch / Leisure Income from 2025/26 onwards								
Total of On-Going Items		672,100	1,881,230	2,553,330	827,830	953,730	943,730	933,730	923,730	913,730	913,730	913,730	913,730	
One-Off Items														
Weeley Council Offices Costs	Q3 2023/24	0	65,000	65,000	65,000									This reflects the continuing cost of ownership, which includes items such as business rates and utility standing charges. Once ownership is transferred in accordance with the associated agreement then these costs will no longer be payable. Work remains in progress to limit the time that the Council retains this liability, with therefore only a potential additional cost in 2025/26 with no further costs expected in future years.
Implement Beach Patrol Recommendations	Q3 2023/24 - £60k Q1 2024/25 - Further £38k	0	98,000	98,000	98,000									This reflects the costs associated with implementing recommendations from a recent review in partnership with the Royal Life Saving Society UK (RLSS). £98k was included in the budget to meet the associated costs for the 2024 season. It is proposed to include the same sum in the 2025/26 budget for the 2025 season with a review to be undertaken as to the longer term position / impact.
Continuation of contribution for the Harwich PCSO	Q3 Financial Performance Report 2023/24	0	24,650	24,650	25,000									It is proposed to set aside the required funding for this post for a further year subject to a separate report during 2025/26.
Fixed Term Family Support Officer	Q3 Financial Performance Report 2023/24	0	48,750	48,750	49,000									It is proposed to set aside the required funding for this post for a further year subject to a separate report during 2025/26.
Fixed Term Housing Early Intervention Officer	Q3 Financial Performance Report 2023/24	0	43,610	43,610	44,000									It is proposed to set aside the required funding for this post for a further year subject to a separate report during 2025/26.
Community Governance Review - Clacton-on-sea, Holland-on-sea and Jaywick Sands	New	0	0	0	48,400									As agreed by Full Council on 26 November 2024
Total of One-Off Items		0	280,010	280,010	329,400	0	0	0	0	0	0	0	0	
Total of Unavoidable Items Included in the Forecast		672,100	2,161,240	2,833,340	1,157,230	953,730	943,730	933,730	923,730	913,730	913,730	913,730	913,730	
Change across years for Inclusion within the forecast			-	-	-	(203,500)	(10,000)	(10,000)	(10,000)	(10,000)	0	0	0	

General Fund Revenue Estimates 2025/26

The Portfolio/Departmental estimates that follow reflect the items included in the Updated Financial Forecast but translated to a more detailed level within the overall budget.

The comments below relate to items that are common to all departments, with any remaining matters being set out separately in the following departmental analysis.

DIRECT EXPENDITURE/INCOME

Salaries/Employees Expenses

This reflects the latest position in terms of any restructures agreed to date, along with the pay award/increments and on-going pension contribution changes.

Other Movements

A number of virements/budget transfers have been included within the budget to address any on-going matters but do not have an impact on the overall net position. These include transfers between / merging of cost centres where there may be significant increases or decreases between years.

Transfer Payments

The payments included within the budget relate to Rent Allowances and Rent Rebates (Housing Benefit). These are subject to change over the course of the year and adjustments have been reflected in the budgets as appropriate, with expenditure being supported by an associated grant from the government.

INDIRECT INCOME/EXPENDITURE

Internal Recharges

Indirect Income/Expenditure, which includes Service Unit and Central Costs and Recharged Income, reflect the latest organisational position.

Capital Financing Costs

These reflect required accounting adjustments and relate to the annual provision for depreciation and are based on the asset value and the estimated life of an asset. Asset values are reviewed annually by the Council's external valuer. Although there may be significant changes between years, these only relate to accounting entries which are reversed out resulting in a nil overall effect on the budget. For 2025/26 these adjustments are no longer included in respect of the budget setting process but will continue to be included as part of the outturn process for the required inclusion in the Council's Statement of Accounts.

General Fund Revenue Estimates 2025/26

Portfolio Summary	2024/25 Original Estimate £	2025/26 Original Estimate £
Corporate Finance and Governance	(3,768,160)	(4,014,990)
Assets	386,360	372,020
Economic Growth, Regeneration and Tourism	1,659,320	1,695,730
Environment	10,349,520	8,090,150
Leisure and Public Realm	4,291,650	3,716,870
Housing and Planning	5,333,830	5,789,370
Partnerships	2,032,290	1,751,840
Budgets Relating to Non Executive Functions	599,210	781,890
Net Cost of Services	20,884,020	18,182,880
Revenue Support for Capital Investment	70,480	70,480
Financing Items	(5,070,950)	(1,398,750)
Budget Before Use of Reserves	15,883,550	16,854,610
Contribution to/from Earmarked Reserves	(760,350)	805,790
Total Net Budget	15,123,200	17,660,400
<i>Financed by:</i>		
Business Rates (including Tariff and Levy) excluding Section 31 funding for rate relief which is set out in 'Net Cost of Services' above	(3,357,400)	(4,822,630)
Revenue Support Grant	(766,490)	(815,420)
Collection Fund Surplus	(951,310)	(1,348,670)
Council Tax Requirement for Tendring District Council	10,048,000	10,673,680
Parish Precepts	2,540,650	2,750,189
Council Tax Requirement per Requisite Calculations	12,588,650	13,423,869
The above are subject to updates to reflect the most recent Portfolio Holder responsibility changes.		

Department Summary	2024/25 Original Estimate £	2025/26 Original Estimate £
Chief Executive, Finance, IT, Governance and Partnerships	(20,632,010)	(18,376,010)
Operations and Delivery	14,177,620	12,236,940
Place and Economy	6,454,390	6,139,070
Total	0	0

General Fund Revenue Estimates

Chief Executive, Finance, IT, Governance and Partnerships

<u>Analysis by Type of Spend</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Direct Expenditure			
Employee Expenses	9,679,260	9,874,790	
Premises Related Expenditure	416,810	448,540	
Transport Related Expenditure	116,100	116,100	
Supplies & Services	5,573,210	5,588,610	
Transfer Payments	36,438,940	36,438,940	
Interest Payments	9,340	9,340	
Direct Capital Financing Costs	263,300	263,300	
Total Direct Expenditure	52,496,960	52,739,620	
Direct Income			
Government Grants	(45,025,900)	(45,539,450)	
Other Grants, Reimbursements and Contributions	(1,259,010)	(1,435,310)	
Sales, Fees and Charges	(1,253,890)	(1,293,190)	
Rents Receivable	(1,050)	(1,050)	
Interest Receivable	(1,903,370)	(1,722,910)	
RSG, Business Rates and Council Tax	(15,520,220)	(17,919,720)	
Total Direct Income	(64,963,440)	(67,911,630)	
Net Direct Costs	(12,466,480)	(15,172,010)	
Indirect Income/Expenditure			
Service Unit and Central Costs	9,527,530	9,846,010	
Capital Financing Costs	(2,339,210)	18,200	
Recharged Income	(14,593,500)	(13,874,000)	
Total Indirect Income/Expenditure	(7,405,180)	(4,009,790)	
Net Contribution to/(from) Reserves	(760,350)	805,790	
Total for Chief Executive, Finance, IT, Governance and Partnerships	(20,632,010)	(18,376,010)	

Chief Executive, Finance, IT , Governance and Partnerships

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Office of Chief Executive Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 204,010 (204,010) 0	 210,990 (210,990) 0	
Total for Chief Executive and Administration	0	0	
Finance and IT Management Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 109,650 (109,650) 0	 118,260 (118,260) 0	
Total for Finance and IT Management and Administration	0	0	
Accountancy Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 584,140 (584,140) 0	 573,720 (573,720) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Internal Audit Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 206,990 (206,990) 0	 221,140 (221,140) 0	
Fraud & Risk Service Unit <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 243,950 (2,670) (241,280) 0	 258,920 (2,670) (256,250) 0	
Payroll and Payments Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 236,070 (60) (236,010) 0	 227,370 (60) (227,310) 0	
HR Payroll System Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 0 0 0	 42,100 (42,100) 0	
Total for Finance	0	0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Bar Code, Credit & Debit Card Charges Service Unit <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 159,430 (159,430) 0	 195,160 (195,160) 0	£20,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Other Apportionable Overheads <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 (234,730) (2,000) 236,730 0	 (213,330) (2,000) 215,330 0	
Other Apportionable Overheads - Corporate Support <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 45,490 (45,490) 0	 45,490 (45,490) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Insurance Recharge Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 633,830 (10,930) (622,900) 0	 665,560 (10,930) (654,630) 0	£31,730 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Other Democratic Costs <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 34,070 758,350 792,420	 34,070 764,410 798,480	
Corporate Management - General <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 255,230 304,250 559,480	 329,230 302,760 631,990	£74,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Treasury Management <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 9,380 1,810 11,190	 9,380 9,960 19,340	
Non-Distributed Costs - Unused Assets <i>Portfolio/ Committee: Corporate Finance and Governance</i> Indirect Income/Expenditure Net Total	 2,620 2,620	 2,750 2,750	
Pension Fund Contributions <i>Portfolio/ Committee: Corporate Finance and Governance</i> Indirect Income/Expenditure Net Total	 77,000 77,000	 77,000 77,000	
Garden Communities Project <i>Portfolio/ Committee: Environment</i> Indirect Income/Expenditure Net Total	 29,640 29,640	 33,010 33,010	
Climate Emergency Initiatives <i>Portfolio/ Committee: Environment</i> Indirect Income/Expenditure Net Total	 40,100 40,100	 13,360 13,360	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Other Corporate Costs <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Direct Income Net Total	 620,170 (1,050) 619,120	 764,220 (1,050) 763,170	£39,030 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Council Tax Sharing Agreement with Major Preceptors <i>Portfolio/ Committee: Housing and Planning</i> Direct Income Net Total	 (444,090) (444,090)	 (599,950) (599,950)	£155,860 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Other Non-Specific Grants <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Income Net Total	 (7,805,560) (7,805,560)	 (8,324,010) (8,324,010)	£331,850 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Other Corporate Costs - Parish Council Grants <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Net Total	 47,520 47,520	 47,520 47,520	
Contingency <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Net Total	 900,000 900,000	 900,000 900,000	
Interest Payable and similar charges <i>Portfolio/ Committee: Finance - Other Financing Items</i> Direct Expenditure Net Total	 21,340 21,340	 21,340 21,340	
Investment Property Income <i>Portfolio/ Committee: Finance - Other Financing Items</i> Direct Income Net Total	 (232,760) (232,760)	 (237,300) (237,300)	£4,540 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Interest & Investment Income <i>Portfolio/ Committee: Finance - Other Financing Items</i> Direct Income Net Total	 (1,670,610)	 (1,485,610)	 £185,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Pensions net interest/return on assets <i>Portfolio/ Committee: Finance - Other Financing Items</i> Indirect Income/Expenditure Net Total	 667,000	 667,000	
Total for Finance - Other Corporate Costs	(6,385,590)	(6,671,910)	
Contribution to Housing Pooled Capital Receipts <i>Portfolio/ Committee: Finance - Other Financing Items</i> Indirect Income/Expenditure Net Total	 90,000	 90,000	
MIRS Contributions to/(from) Earmarked Reserves <i>Portfolio/ Committee: Finance - Corporate</i> Contributions to/(from) reserves Net Total	 (760,350)	 805,790	 £1,045,130 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
MIRS Revenue Financing of Capital (RCCO) <i>Portfolio/ Committee: Finance - Capital Investment</i> Direct Expenditure Net Total	 70,480 70,480	 70,480 70,480	
MIRS Minimum Revenue Provision <i>Portfolio/ Committee: Finance - Other Financing Items</i> Direct Expenditure Net Total	 192,820 192,820	 192,820 192,820	
MIRS Capital Charges made to GF <i>Portfolio/ Committee: Finance - Other Financing Items</i> Indirect Income/Expenditure Net Total	 (3,491,740) (3,491,740)	 0 0	
MIRS Transfer from Usable Capital Receipts Reserve <i>Portfolio/ Committee: Finance - Other Financing Items</i> Indirect Income/Expenditure Net Total	 (90,000) (90,000)	 (90,000) (90,000)	
MIRS - Contributions Payable to the Pension Scheme <i>Portfolio/ Committee: Finance - Other Financing Items</i> Direct Expenditure Net Total	 187,000 187,000	 187,000 187,000	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
MIRS - Total IAS 19 Adjustments <i>Portfolio/ Committee: Finance - Other Financing Items</i> Indirect Income/Expenditure Net Total			
	(744,000)	(744,000)	
	(744,000)	(744,000)	
Total for Finance - Financing Items	(4,545,790)	512,090	
Parish Precepts <i>Portfolio/ Committee: Finance - Corporate</i> Direct Income Net Total			
	2,540,650	2,750,189	
	2,540,650	2,750,189	
Revenue Support Grant <i>Portfolio/ Committee: Finance - Corporate</i> Direct Income Net Total			
	(766,490)	(815,420)	£48,930 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
	(766,490)	(815,420)	
Business Rates Tariff and Levy <i>Portfolio/ Committee: Finance - Corporate</i> Direct Income Net Total			
	8,491,730	8,377,740	£113,990 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
	8,491,730	8,377,740	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Business Rates <i>Portfolio/ Committee: Finance - Corporate</i> Direct Expenditure Direct Income Net Total	 397,020 (12,246,150) (11,849,130)	 259,320 (13,459,690) (13,200,370)	£1,351,240 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Income from Council Taxpayers (inc Parish Precept) <i>Portfolio/ Committee: Finance - Corporate</i> Direct Income Net Total	 (12,588,650) (12,588,650)	 (13,423,869) (13,423,869)	£625,680 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Collection Fund Balance - Council Tax <i>Portfolio/ Committee: Finance - Corporate</i> Direct Income Net Total	 (159,000) (159,000)	 (213,240) (213,240)	£54,240 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Collection Fund Balance - NDR <i>Portfolio/ Committee: Finance - Corporate</i> Direct Income Net Total	 (792,310) (792,310)	 (1,135,430) (1,135,430)	£343,120 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Total for Finance - RSG, Business Rates and Council Tax	(15,123,200)	(17,660,400)	
Benefits & Revenues Service Unit <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 2,027,180 (327,020) (1,700,160) 0	 2,091,220 (327,020) (1,764,200) 0	
Rent Allowances <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 30,694,660 (30,968,030) 721,340 447,970	 30,694,660 (30,961,390) 775,420 508,690	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Rent Rebates <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 5,924,540 (5,962,630) 56,010 17,920	 5,924,540 (5,962,010) 69,510 32,040	
Local Council Tax Support Scheme <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 (10,000) 278,590 268,590	 (10,000) 279,960 269,960	
Cost Of NDR Collection <i>Portfolio/ Committee: Housing and Planning</i> Direct Income Indirect Income/Expenditure Net Total	 (289,680) 281,800 (7,880)	 (292,040) 279,600 (12,440)	£2,360 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Cost Of Council Tax Collection <i>Portfolio/ Committee: Housing and Planning</i> Direct Income Indirect Income/Expenditure Net Total	 (359,960) 1,520,960 1,161,000	 (359,960) 1,622,200 1,262,240	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Hardship Fund <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 50,740 (44,730) 22,000 28,010	 50,740 (44,730) 12,960 18,970	
Total for Revenues and Benefits	1,915,610	2,079,460	
TDC Website and Intranet Service Unit <i>Portfolio/ Committee: Assets</i> Direct Expenditure Indirect Income/Expenditure Net Total	 15,440 (15,440) 0	 15,080 (15,080) 0	
IT and Corporate Resilience Service Unit <i>Portfolio/ Committee: Assets</i> Direct Expenditure Indirect Income/Expenditure Net Total	 1,142,750 (1,142,750) 0	 1,241,550 (1,241,550) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
IT Direct Costs Service Unit <i>Portfolio/ Committee: Assets</i> Direct Expenditure Indirect Income/Expenditure Net Total	 848,320 (848,320) 0	 44,970 (44,970) 0	£60,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
IT Direct Service Costs (Programmed) Service Unit <i>Portfolio/ Committee: Assets</i> Direct Expenditure Indirect Income/Expenditure Net Total	 0 0 0	 748,190 (748,190) 0	£13,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Health and Safety Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 86,450 (86,450) 0	 89,260 (89,260) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Central Telephone System Service Unit <i>Portfolio/ Committee: Assets</i> Direct Expenditure Indirect Income/Expenditure Net Total	 137,560 (137,560) 0	 137,560 (137,560) 0	
Total for IT and Corporate Resilience	0	0	
Governance Management Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 176,890 (176,890) 0	 187,130 (187,130) 0	
Total for Governance Management and Administration	0	0	
Legal Services Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 418,610 (59,480) (359,130) 0	 485,420 (59,480) (425,940) 0	
Total for Legal	0	0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Communications Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 94,070 (94,070) 0	 203,600 (203,600) 0	£19,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Total for Communications	0	0	
Leadership Support Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 150,990 (150,990) 0	 130,880 (130,880) 0	
Electoral Services Service Unit <i>Portfolio/ Committee: Budgets Relating to Non Executive Functions</i> Direct Expenditure Indirect Income/Expenditure Net Total	 188,440 (188,440) 0	 237,120 (237,120) 0	
Committee Services Service Unit <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 237,680 (237,680) 0	 251,230 (251,230) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Licensing Services Service Unit <i>Portfolio/ Committee: Budgets Relating to Non Executive Functions</i> Direct Expenditure Indirect Income/Expenditure Net Total	 203,340 (203,340) 0	 215,480 (215,480) 0	
Members Allowance <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 542,100 28,210 570,310	 564,980 16,790 581,770	
Members - Other Costs <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 53,690 300,860 354,550	 72,290 256,910 329,200	£18,600 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Democratic Services - Other Democratic Costs <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Net Total	 21,800 21,800	 70,200 70,200	 £48,400 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Civic Ceremonial Expenses <i>Portfolio/ Committee: Corporate Finance and Governance</i> Direct Expenditure Indirect Income/Expenditure Net Total	 12,440 68,950 81,390	 12,440 75,160 87,600	
Election Expenses <i>Portfolio/ Committee: Budgets Relating to Non Executive Functions</i> Direct Expenditure Indirect Income/Expenditure Net Total	 14,000 128,060 142,060	 14,000 183,510 197,510	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Electoral Registration <i>Portfolio/ Committee: Budgets Relating to Non Executive Functions</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 80,830 (2,520) 155,630 233,940	 120,830 (2,520) 207,940 326,250	 £40,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Licensing Services Direct Costs <i>Portfolio/ Committee: Budgets Relating to Non Executive Functions</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 21,300 (276,340) 325,960 70,920	 21,300 (276,340) 349,100 94,060	
Total for Democratic Services and Elections	1,474,970	1,686,590	
Procurement Service Unit <i>Portfolio/ Committee: Assets</i> Direct Expenditure Indirect Income/Expenditure Net Total	 223,820 (223,820) 0	 141,790 (141,790) 0	
Total for Corporate Procurement and Contracts	0	0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Partnerships Management Service Unit <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Indirect Income/Expenditure Net Total	 433,400 (433,400) 0	 279,110 (279,110) 0	
Total for Partnerships Management and Administration	0	0	
Human Resources Service Unit <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Indirect Income/Expenditure Net Total	 315,970 (315,970) 0	 316,940 (316,940) 0	
HR Direct Costs Service Unit <i>Portfolio/ Committee: Budgets Relating to Non Executive Functions</i> Direct Expenditure Indirect Income/Expenditure Net Total	 53,700 (53,700) 0	 55,170 (55,170) 0	
Total for People	0	0	
Qualification and Other Training Service Unit <i>Portfolio/ Committee: Budgets Relating to Non Executive Functions</i> Direct Expenditure Indirect Income/Expenditure Net Total	 371,420 (371,420) 0	 417,170 (417,170) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Career Track <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 214,490 (188,080) 84,980 111,390	 226,360 (138,080) 85,780 174,060	 £50,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Total for Organisational Development	111,390	174,060	
Public Health - Improvement Projects <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 35,820 (20,000) 45,360 61,180	 37,750 (20,000) 47,810 65,560	
Emergency Planning <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Indirect Income/Expenditure Net Total	 84,810 33,710 118,520	 90,790 35,000 125,790	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Family Solutions <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Indirect Income/Expenditure Net Total			
	49,670	52,430	
	20,860	15,200	
	70,530	67,630	
Health Inequalities Initiatives <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Net Total			
	0	93,000	£93,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
	0	93,000	
Community Development Team <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total			
	131,370	68,160	
	51,340	41,170	
	182,710	109,330	
Total for Health and Community	432,940	461,310	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Print and Post Hub Service Unit <i>Portfolio/ Committee: Assets</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 214,330 (43,800) (170,530) 0	 217,590 (43,800) (173,790) 0	
Contact Centre Service Unit <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Indirect Income/Expenditure Net Total	 561,410 (561,410) 0	 553,340 (553,340) 0	
Total for Customer Contact	0	0	
Careline <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 1,235,080 (730,220) 216,660 721,520	 1,124,060 (819,520) 280,450 584,990	£296,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
CCTV <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 17,030 (1,000) 114,750 130,780	 17,030 (1,000) 114,750 130,780	
Community Safety Projects <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Indirect Income/Expenditure Net Total	 2,220 1,000 3,220	 0 0 0	
Community Safety <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 494,740 0 137,400 632,140	 273,500 (20,440) 73,960 327,020	£25,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Total for Careline and Community	1,487,660	1,042,790	
Total for Chief Executive, Finance, IT , Governance and Partnerships	(20,632,010)	(18,376,010)	

General Fund Revenue Estimates

Operations and Delivery

<u>Analysis by Type of Spend</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Direct Expenditure			
Employee Expenses	7,463,150	7,881,660	
Premises Related Expenditure	1,766,600	1,941,970	
Transport Related Expenditure	528,990	538,390	
Supplies & Services	2,344,250	3,770,730	
Third Party Payments	7,312,220	7,540,600	
Transfer Payments	235,750	235,750	
Total Direct Expenditure	19,650,960	21,909,100	
Direct Income			
Government Grants	(944,180)	(1,845,070)	
Other Grants, Reimbursements and Contributions	(1,471,720)	(1,493,200)	
Sales, Fees and Charges	(4,802,900)	(5,051,100)	
Rents Receivable	(417,100)	(417,100)	
Direct Internal Income	(72,350)	(72,350)	
Total Direct Income	(7,708,250)	(8,878,820)	
Net Direct Costs	11,942,710	13,030,280	
Indirect Income/Expenditure			
Service Unit and Central Costs	9,751,820	9,907,940	
Capital Financing Costs	2,936,140	0	
Recharged Income	(10,453,050)	(10,701,280)	
Total Indirect Income/Expenditure	2,234,910	(793,340)	
Total for Operations and Delivery	14,177,620	12,236,940	

Operations and Delivery

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Corporate Director - Operations and Delivery Service Unit <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 170,360 (170,360) 0	 178,770 (178,770) 0	
Operational Services Finance & Procurement Service Unit <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 206,250 (206,250) 0	 223,620 (223,620) 0	
Total for CD Operations and Delivery Management and Administration	0	0	
Building and Public Realm Management Service Unit <i>Portfolio/ Committee: Assets</i> Direct Expenditure Indirect Income/Expenditure Net Total	 276,030 (276,030) 0	 294,680 (294,680) 0	
Total for Building and Public Realm Management and Administration	0	0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Public Realm Service Unit <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 415,780 (415,780) 0	 438,080 (438,080) 0	
Public Conveniences <i>Portfolio/ Committee: Assets</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 566,700 (24,360) 333,070 875,410	 599,600 (24,360) 259,410 834,650	
Playgrounds <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 36,270 (1,500) 323,250 358,020	 36,270 (1,500) 279,130 313,900	
Shelters - General <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 17,970 80,500 98,470	 17,970 55,890 73,860	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Car Parking (Off Street) Portfolio/ Committee: Leisure and Public Realm Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 422,170 (851,260) 375,650 (53,440)	 443,960 (870,260) 388,360 (37,940)	
Total for Public Realm	1,278,460	1,184,470	
Office Accommodation Service Unit Portfolio/ Committee: Assets Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 507,440 (3,630) (503,810) 0	 579,130 (3,630) (575,500) 0	£65,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Property and Projects Service Unit Portfolio/ Committee: Assets Direct Expenditure Indirect Income/Expenditure Net Total	 297,090 (297,090) 0	 323,830 (323,830) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Beach Hut Sites <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 135,970 (947,940) 154,910 (657,060)	 144,140 (1,052,440) 200,730 (707,570)	 £100,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Seafronts Maintenance <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 119,790 (34,660) 491,170 576,300	 95,640 (34,660) 442,200 503,180	
First Aid Posts <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 1,260 250 1,510	 0 0 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Shops & Kiosks <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 13,160 (161,690) 102,270 (46,260)	 13,160 (161,690) 115,770 (32,760)	
Community Asset Off Setting Scheme <i>Portfolio/ Committee: Assets</i> Direct Expenditure Indirect Income/Expenditure Net Total	 98,310 5,750 104,060	 98,310 5,920 104,230	
Open Space Maintenance Contributions <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Net Total	 13,500 13,500	 13,500 13,500	
Public Halls <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 4,260 (45,690) 60,050 18,620	 4,260 (45,690) 45,960 4,530	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Office Cleaning Service Unit <i>Portfolio/ Committee: Assets</i> Direct Expenditure Indirect Income/Expenditure Net Total	 130,260 (130,260) 0	 143,290 (143,290) 0	
Total for Property and Projects	10,670	(114,890)	
Dangerous Structures <i>Portfolio/ Committee: Assets</i> Direct Expenditure Net Total	 30 30	 30 30	
Total for Development and Building Management	30	30	
Coastal and Engineering Service Unit <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 280,400 (72,350) (208,050) 0	 224,870 (72,350) (152,520) 0	
Coastal Protection <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 339,910 2,572,620 2,912,530	 339,910 271,210 611,120	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Land Drainage - General Maintenance <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 11,370 17,210 28,580	 11,370 8,940 20,310	
Highways TDC - Highway Rangers <i>Portfolio/ Committee: Environment</i> Indirect Income/Expenditure Net Total	 92,280 92,280	 81,780 81,780	
Highways TDC - Private Street Lighting <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 10,560 12,370 22,930	 10,560 9,980 20,540	
Highways TDC - General <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 15,560 (69,000) 68,160 14,720	 15,560 (69,000) 84,320 30,880	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Town Centre Maintenance <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 45,790 117,260 163,050	 45,790 107,560 153,350	
Engineering Operations Service Unit <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 568,860 (568,860) 0	 614,740 (614,740) 0	
Housing Maintenance Operations Service Unit <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 528,620 (528,620) 0	 571,240 (571,240) 0	
Total for Coastal and Engineering	3,234,090	917,980	
Open Space and Transport Service Unit <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 424,780 (424,780) 0	 472,860 (472,860) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Transport Service Unit <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 471,410 (471,410) 0	 482,640 (482,640) 0	 £8,500 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Highways - Tree And Verge Maintenance <i>Portfolio/ Committee: Environment</i> Indirect Income/Expenditure Net Total	 101,560 101,560	 103,280 103,280	
Cemeteries <i>Portfolio/ Committee: Assets</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 60,660 (326,550) 306,160 40,270	 60,660 (326,550) 353,330 87,440	
Crematorium <i>Portfolio/ Committee: Assets</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 400,460 (1,385,220) 325,140 (659,620)	 404,570 (1,385,220) 301,720 (678,930)	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Open Spaces <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 70,640 (22,120) 1,070,120 1,118,640	 70,640 (22,120) 1,051,410 1,099,930	
Memorial Seats <i>Portfolio/ Committee: Assets</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 23,000 (23,000) 26,210 26,210	 23,000 (23,000) 24,600 24,600	
Roundabouts Maintenance <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Income Indirect Income/Expenditure Net Total	 (14,640) 24,070 9,430	 (14,640) 26,630 11,990	
Nature Conservation <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 58,820 (21,480) 29,880 67,220	 61,580 (21,480) 31,660 71,760	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Recreation Grounds <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 47,390 (106,240) 81,520 22,670	 47,390 (96,240) 57,800 8,950	 £10,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Horticultural Service Unit <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 1,128,340 (1,128,340) 0	 1,188,580 (1,188,580) 0	
Total for Open Space and Transport	726,380	729,020	
Housing & Environment Management Service Unit <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 351,720 (3,750) (347,970) 0	 392,190 (3,750) (388,440) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Community Housing Trust Grant <i>Portfolio/ Committee: Housing and Planning</i> Indirect Income/Expenditure Net Total	 2,500 2,500	 2,320 2,320	
Total for Housing and Environment Management and Administration	2,500	2,320	
Housing Service Unit <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 421,500 (421,500) 0	 465,740 (465,740) 0	
Home Improvement Agency <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 8,280 212,270 220,550	 8,280 189,040 197,320	
Home Energy Conservation Act <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 400 27,640 28,040	 400 59,390 59,790	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Non Statutory Properties <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 120 (22,940) 15,930 (6,890)	 120 (22,940) 12,960 (9,860)	
Homelessness <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 802,070 (4,950) 212,410 1,009,530	 1,194,760 (4,950) 211,320 1,401,130	£500,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Homelessness - Grant Funded Activities <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 1,037,400 (1,129,930) 36,680 (55,850)	 1,948,590 (2,030,820) 39,580 (42,650)	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Homelessness - Spendells House <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 84,980 0 3,430 88,410	 356,640 (134,700) 3,130 225,070	
Total for Housing	1,283,790	1,830,800	
Waste and Recycling Service Unit <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 413,100 (413,100) 0	 353,260 (353,260) 0	
Abandoned Vehicles <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 2,970 48,040 51,010	 2,970 46,290 49,260	
Dog Warden <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 14,960 (5,260) 86,320 96,020	 15,160 (5,260) 92,400 102,300	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Recycling & Waste Collection <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 4,673,400 (1,436,090) 587,290 3,824,600	 4,826,070 (1,457,570) 409,080 3,777,580	 £131,190 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Garden Waste Collection Service <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 773,120 (944,380) 112,460 (58,800)	 773,120 (944,380) 148,410 (22,850)	
Clinical Waste Collection Service <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 18,100 (8,100) 8,050 18,050	 18,100 (8,100) 4,180 14,180	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Street Sweeping <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 2,147,470 (4,430) 140,680 2,283,720	 2,227,250 (4,430) 103,660 2,326,480	 £79,780 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Total for Waste and Recycling	6,214,600	6,246,950	
Environmental Services Service Unit <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 622,300 (622,300) 0	 683,980 (683,980) 0	
Private Sector Housing - EHO Team Service Unit <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 265,870 (265,870) 0	 253,600 (253,600) 0	
Houses in Multiple Occupation <i>Portfolio/ Committee: Housing and Planning</i> Direct Income Indirect Income/Expenditure Net Total	 (3,200) 147,440 144,240	 (3,200) 119,220 116,020	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Licensing - Environmental <i>Portfolio/ Committee: Budgets Relating to Non Executive Functions</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 1,150 (10,480) 161,620 152,290	 1,150 (10,480) 173,400 164,070	
Private Sector Housing - Licensing <i>Portfolio/ Committee: Housing and Planning</i> Indirect Income/Expenditure Net Total	 74,370 74,370	 66,360 66,360	
Public Health <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 48,870 (7,880) 96,410 137,400	 48,870 (7,880) 106,700 147,690	
Public Health <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 32,530 (3,290) 526,870 556,110	 33,170 (3,290) 541,600 571,480	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Defective Drains <i>Portfolio/ Committee: Environment</i> Direct Expenditure Indirect Income/Expenditure Net Total	 1,470 20,050 21,520	 1,470 21,950 23,420	
Environmental Protection <i>Portfolio/ Committee: Environment</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 4,470 (12,240) 180,850 173,080	 4,470 (12,240) 189,630 181,860	
Housing Disrepair <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 1,070 156,330 157,400	 1,070 154,520 155,590	
Rodent & Pest Control <i>Portfolio/ Committee: Environment</i> Direct Expenditure Net Total	 4,470 4,470	 4,470 4,470	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Private Sector Innovation & Enforcement Grant <i>Portfolio/ Committee: Housing and Planning</i> Indirect Income/Expenditure Net Total	6,220 6,220	9,300 9,300	
Total for Environment	1,427,100	1,440,260	
Total for Operations and Delivery	14,177,620	12,236,940	

General Fund Revenue Estimates

Place and Economy

<u>Analysis by Type of Spend</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Direct Expenditure			
Employee Expenses	5,969,830	6,597,180	
Premises Related Expenditure	984,170	931,540	
Transport Related Expenditure	43,540	45,200	
Supplies & Services	1,880,050	1,809,380	
Third Party Payments	870	870	
Total Direct Expenditure	8,878,460	9,384,170	
Direct Income			
Other Grants, Reimbursements and Contributions	(15,400)	(15,400)	
Sales, Fees and Charges	(4,318,140)	(4,607,090)	
Rents Receivable	(49,150)	(49,150)	
Total Direct Income	(4,382,690)	(4,671,640)	
Net Direct Costs	4,495,770	4,712,530	
Indirect Income/Expenditure			
Service Unit and Central Costs	6,543,540	6,694,580	
Capital Financing Costs	414,100	0	
Recharged Income	(4,999,020)	(5,268,040)	
Total Indirect Income/Expenditure	1,958,620	1,426,540	
Total for Place and Economy	6,454,390	6,139,070	

Place and Economy

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Corporate Director - Place and Economy Service Unit <i>Portfolio/ Committee: Housing and Planning</i>			
Direct Expenditure	136,910	160,710	
Indirect Income/Expenditure	(136,910)	(160,710)	
Net Total	0	0	
Total for Place and Economy Management and Administration	0	0	
Planning Service Unit <i>Portfolio/ Committee: Housing and Planning</i>			
Direct Expenditure	2,033,710	2,178,070	
Direct Income	(300)	(300)	
Indirect Income/Expenditure	(2,033,410)	(2,177,770)	
Net Total	0	0	
Total for Planning Management and Administration	0	0	
Building Control Service Unit <i>Portfolio/ Committee: Housing and Planning</i>			
Direct Expenditure	309,470	308,430	
Indirect Income/Expenditure	(309,470)	(308,430)	
Net Total	0	0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
<p>Planning and Enforcement <i>Portfolio/ Committee: Housing and Planning</i></p> <p>Direct Expenditure</p> <p>Indirect Income/Expenditure</p> <p>Net Total</p>	<p>25,000</p> <p>3,700</p> <p>28,700</p>	<p>6,000</p> <p>8,500</p> <p>14,500</p>	<p>£19,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.</p>
<p>Development Control - Chargeable Account <i>Portfolio/ Committee: Housing and Planning</i></p> <p>Direct Expenditure</p> <p>Direct Income</p> <p>Indirect Income/Expenditure</p> <p>Net Total</p>	<p>86,150</p> <p>(1,223,760)</p> <p>1,359,710</p> <p>222,100</p>	<p>86,150</p> <p>(1,223,760)</p> <p>1,282,750</p> <p>145,140</p>	
<p>Development Control - Non Chargeable Account <i>Portfolio/ Committee: Housing and Planning</i></p> <p>Indirect Income/Expenditure</p> <p>Net Total</p>	<p>536,690</p> <p>536,690</p>	<p>675,250</p> <p>675,250</p>	
<p>Planning Enforcement <i>Portfolio/ Committee: Housing and Planning</i></p> <p>Direct Expenditure</p> <p>Direct Income</p> <p>Indirect Income/Expenditure</p> <p>Net Total</p>	<p>16,100</p> <p>(2,320)</p> <p>393,230</p> <p>407,010</p>	<p>16,100</p> <p>(2,320)</p> <p>407,040</p> <p>420,820</p>	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Dangerous Trees <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Net Total	 430 430	 430 430	
Building Regulations-Non Chargeable/Other Activities Account <i>Portfolio/ Committee: Housing and Planning</i> Indirect Income/Expenditure Net Total	 19,350 19,350	 81,470 81,470	
Building Regulations-Chargeable Account <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 2,680 (256,640) 404,320 150,360	 2,680 (256,640) 305,600 51,640	
Total for Planning Development	1,364,640	1,389,250	
Strategic Planning and Place Shaping Management Service Unit <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Indirect Income/Expenditure Net Total	 97,080 (97,080) 0	 101,140 (101,140) 0	
Total for Local Plan and Place Shaping Management and Administration	0	0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Heritage and Conservation - General <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Net Total	 3,210 3,210	 3,210 3,210	
Local Plan <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 175,000 (1,340) 322,950 496,610	 175,000 (1,340) 306,250 479,910	
Tending Garden Communities <i>Portfolio/ Committee: Housing and Planning</i> Indirect Income/Expenditure Net Total	 13,840 13,840	 7,120 7,120	
Land Charges <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 44,930 (178,960) 93,140 (40,890)	 44,930 (178,960) 110,710 (23,320)	
Total for Strategic Planning	472,770	466,920	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Suffolk Coastal AONB Contribution <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Net Total	 7,650 7,650	 7,650 7,650	
Dedham Vale AONB <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Net Total	 740 740	 740 740	
Tree Planting <i>Portfolio/ Committee: Housing and Planning</i> Direct Expenditure Net Total	 2,230 2,230	 2,230 2,230	
Total for Place	10,620	10,620	
Economic Growth Service Unit <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Indirect Income/Expenditure Net Total	 320,110 (320,110) 0	 339,070 (339,070) 0	
Tendring CAB <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Net Total	 167,000 167,000	 167,000 167,000	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Public Halls-Jaywick Community Centre <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 4,390 5,590 9,980	 4,390 0 4,390	
Youth Initiatives <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Net Total	 5,450 5,450	 5,450 5,450	
Enabling Fund <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Net Total	 8,460 8,460	 8,460 8,460	
Community Rail Partnership <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Net Total	 2,100 2,100	 2,100 2,100	
Industrial Units and Properties <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 3,440 (31,080) 23,570 (4,070)	 3,440 (31,080) 27,180 (460)	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Jaywick Enterprise Centre (Starter Units) <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 21,250 (9,670) 56,620 68,200	 21,250 (9,670) 6,040 17,620	
Levelling Up Projects Delivery <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Indirect Income/Expenditure Net Total	 74,590 74,590	 63,310 63,310	
Jaywick Workspace – Operating Costs <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Indirect Income/Expenditure Net Total	 81,440 (12,740) 68,700	 98,220 (79,390) 18,830	
Business Investment and Growth <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Indirect Income/Expenditure Net Total	 15,250 207,190 222,440	 15,250 246,530 261,780	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Tendring 4 Growth Events <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Indirect Income/Expenditure Net Total	 85,330 85,330	 113,350 113,350	
Freeports Project Group <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Indirect Income/Expenditure Net Total	 58,350 58,350	 74,850 74,850	
UK Shared Prosperity Fund <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Indirect Income/Expenditure Net Total	 98,260 98,260	 111,980 111,980	
Rural England Prosperity Fund <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Indirect Income/Expenditure Net Total	 11,460 11,460	 19,560 19,560	
Total for Economic Growth	876,250	868,220	
Sport and Leisure Service Unit <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 173,830 (173,830) 0	 183,740 (183,740) 0	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Management Of Sport & Leisure Facilities <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 400,880 530,370 931,250	 196,350 173,900 370,250	 £122,530 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Beach Patrol <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 220,490 54,300 274,790	 354,080 93,460 447,540	 £98,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Skate Park Clacton <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Indirect Income/Expenditure Net Total	 280 80 360	 280 80 360	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Dovercourt Swimming Pool & All Weather Facilities <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 726,910 (405,830) 96,380 417,460	 764,880 (498,330) 115,460 382,010	£107,500 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Frinton & Walton Swimming Pool <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 719,700 (372,020) 90,310 437,990	 771,040 (408,520) 112,820 475,340	£51,500 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Leisure Centre Clacton <i>Portfolio/ Committee: Leisure and Public Realm</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 1,481,050 (1,093,650) 304,800 692,200	 1,591,930 (1,253,650) 375,370 713,650	£156,000 has been adjusted in the 2025/26 Estimates to show the net changes required between years included in the latest Long Term Financial Forecast for 2025/26 set out in Appendix A, B and C. Therefore in effect these adjustments reflect the translation of the items set out in the long term forecast (including savings and cost pressures) into the detailed lines of the budget.
Total for Sport and Leisure Operations	2,754,050	2,389,150	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Tourism, Arts and Events Service Unit <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Indirect Income/Expenditure Net Total	 231,640 (231,640) 0	 242,450 (242,450) 0	
Customer and Commercial Services Service Unit <i>Portfolio/ Committee: Partnerships</i> Direct Expenditure Indirect Income/Expenditure Net Total	 117,620 (117,620) 0	 126,900 (126,900) 0	
Princes Theatre <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 911,860 (739,440) 290,990 463,410	 934,190 (739,390) 267,000 461,800	
Tourism Publicity Marketing Promotion <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Indirect Income/Expenditure Net Total	 24,820 146,510 171,330	 24,820 86,410 111,230	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Tourist Information Centres <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 7,200 (6,540) 21,470 22,130	 7,210 (6,540) 28,850 29,520	
TDC Events - Council Owned Land <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Indirect Income/Expenditure Net Total	 7,030 7,030	 3,950 3,950	
Air Show <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 190,220 (59,890) 165,130 295,460	 190,220 (59,890) 255,910 386,240	
Tour De Tending & Other Cycling Events <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Direct Income Indirect Income/Expenditure Net Total	 1,700 (1,250) 16,250 16,700	 1,700 (1,250) 21,720 22,170	
Total for Tourism Arts and Events	976,060	1,014,910	

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £	Notes
Economy, Culture & Leisure Management Service Unit <i>Portfolio/ Committee: Economic Growth, Regeneration and Tourism</i> Direct Expenditure Indirect Income/Expenditure Net Total	 100,080 (100,080) 0	 236,280 (236,280) 0	
Total for Economy, Culture and Leisure Management	0	0	
Total for Place and Economy	6,454,390	6,139,070	

General Fund Capital Programme

	Proposed Source of Financing	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £
Expenditure					
<i>Assets Portfolio</i>					
IT Core Infrastructure Rolling Replacement	R1	70,480	70,480	70,480	70,480
		70,480	70,480	70,480	70,480
<i>Housing and Planning Portfolio</i>					
Disabled Facilities Grants	G3	757,000	757,000	757,000	757,000
		757,000	757,000	757,000	757,000
Total General Fund Capital Programme		827,480	827,480	827,480	827,480
Financing					
<i>Specific Financing</i>					
Disabled Facilities Grant	G3	(757,000)	(757,000)	(757,000)	(757,000)
		(757,000)	(757,000)	(757,000)	(757,000)
<i>General Financing</i>					
Direct Revenue Contributions	R1	(70,480)	(70,480)	(70,480)	(70,480)
		(70,480)	(70,480)	(70,480)	(70,480)
Total Funding of General Fund Capital Programme		(827,480)	(827,480)	(827,480)	(827,480)

The above reflects the Council's 'base' Capital Programme and additions required during the year will be made via separate decisions e.g. Levelling Up Schemes.

RESERVES

	Balance 31 March 2024 £	Contribution from Reserves 2024/25 £	Contribution to Reserves 2024/25 £	Balance 31 March 2025 £	Contribution from Reserves 2025/26 £	Contribution to Reserves 2025/26 £	Balance 31 March 2026 £
Earmarked Reserves							
Revenue Commitments Reserve	18,480,188	(18,480,188)	0	0	0	0	0
Capital Commitments Reserve	1,228,130	(1,228,130)	0	0	0	0	0
Forecast Risk Fund	6,426,030	(262,580)	0	6,163,450	0	840,130	7,003,580
Asset Refurbishment / Replacement Reserve	1,019,288	0	0	1,019,288	0	0	1,019,288
Benefit Reserve	999,790	0	0	999,790	0	0	999,790
Business Rate Resilience Reserve	1,758,422	0	0	1,758,422	0	0	1,758,422
Commutated Sums Reserve	598,312	(31,490)	0	566,822	(31,490)	0	535,332
Crematorium Reserve	229,140	(21,270)	0	207,870	(21,270)	0	186,600
Election Reserve	0	0	45,000	45,000	0	45,000	90,000
Haven Gateway Partnership Reserve	75,000	0	0	75,000	(75,000)	0	0
Leisure Capital Projects Reserve	6,540	0	50,000	56,540	0	50,000	106,540
Planning Inquiries and Enforcement Reserve	19,000	(19,000)	0	0	0	0	0
Section 106 Agreements Reserve	3,294,006	0	0	3,294,006	0	0	3,294,006
	34,133,846	(20,042,658)	95,000	14,186,188	(127,760)	935,130	14,993,558
Uncommitted Reserve	4,000,000	0	0	4,000,000	0	0	4,000,000
Total Reserves	38,133,846	(20,042,658)	95,000	18,186,188	(127,760)	935,130	18,993,558

Special Expenses 2025/26

	Open Spaces	Recreation Areas	Total	Tax Base (Band D Properties)	Special Expenses levy (Band D)	Net Impact on Band D Tax
	(A)	(B)	(C)	(D)	(E)	(F)
	(£)	(£)	(£)		(£)	(£)
Clacton	313,356	110,090	423,446	18,307.2	23.13	10.36
Frinton and Walton	93,740	63,081	156,821	8,890.1	17.64	4.87
Harwich	85,041	17,925	102,966	5,749.1	17.91	5.14
Lawford	6,238	-	6,238	1,823.9	3.42	(9.35)
Manningtree	(6,472)	-	(6,472)	349.1	(18.54)	(31.31)
All other Parishes	-	-	-	-	-	(12.77)
	491,903	191,096	682,999			

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The total value of Special Expenses of £682,999 reduces the General Council Tax by £12.77

Column (E) shows the special expenses tax amount which will be applicable to different parts of the District
 Column (F) indicates the net impact on the aggregate amount of Council Tax payable

FOR INFORMATION - Comparison of 2025/26 Special Expenses with 2024/25

	2024/25				2025/26				Change in net impact on total Band D Tax ⁽¹⁾	% Change in Special Expenses levy (Col. G compared to Col. C)
	Total	Tax Base (Band D Properties)	Special Expenses levy (Band D)	Net Impact on Band D Tax	Total	Tax Base (Band D Properties)	Special Expenses levy (Band D)	Net Impact on Band D Tax		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
	(£)		(£)	(£)	(£)		(£)	(£)	(£)	%
Clacton	403,895	17,832.0	22.65	10.09	423,446	18,307.2	23.13	10.36	0.27	2.12
Frinton and Walton	149,473	8,473.5	17.64	5.08	156,821	8,890.1	17.64	4.87	(0.21)	0.00
Harwich	98,747	5,626.6	17.55	4.99	102,966	5,749.1	17.91	5.14	0.15	2.05
Lawford	5,908	1,774.1	3.33	(9.23)	6,238	1,823.9	3.42	(9.35)	(0.12)	2.70
Manningtree	(6,493)	338.7	(19.17)	(31.73)	(6,472)	349.1	(18.54)	(31.31)	0.42	(3.29)
All other Parishes	-	-	-	(12.56)	-	-	-	(12.77)	(0.21)	-
	651,530				682,999					

Note

1. An amount in brackets is a reduction in levy between the two years.

REQUISITE BUDGET CALCULATIONS 2025/26

- (a) It be noted that on 26th November 2024 the Council determined in accordance with the Local Government Act 2003 Section 75, the discounts and premiums for second homes and long term empty properties. On 19th December 2024 the Corporate Finance and Governance Portfolio Holder agreed in accordance with delegated power part 3.41 para 4.3(6) the following amounts for the year 2025/26 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992 and taking into account the discounts determined by Council on 26th November 2024.
- (i) 53,496.8 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012, as its council tax base for the year.
 - (ii) Part of the Council's area
The amounts set out in Appendix G column (2) against each area set out in column (1), being the amounts calculated by the Council, in accordance with regulation 6 of the said regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which one or more special items may relate.
- (b) Using the criteria below it is felt that the Council would be justified in passing a contrary resolution in respect of the special expenses which results in a special expenses total of £682,999.

Consideration of Determining the Contrary Resolution

In judging whether the contrary resolution should be passed in respect of any special expenses, the following matters are relevant:

- (i) Whether in respect of this Council's expenditure the function is to be provided generally for the whole district or is to be restricted to a part or parts of the district?
- (ii) To what extent, if any, are restrictions placed on any part of the district as to the accessibility of the function?
- (iii) The use of the facility/activity to which the Special Expense relates.

These matters must each be considered and a view taken as to whether it would be appropriate to pass the contrary resolution in respect of some of the budgeted expenditure on Special Expenses. Budgeted costs have been analysed between Special Expenses and General Expenses areas using the same methodology as that used last year.

- (c) That the tax bases for calculating the burden of special expenses will be as shown in Appendix G column (2)

(d) That the following amounts be calculated by the Council for the year 2025/26 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992:

- (i) £110,982,149 Being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(2)(a) to (f) of the Act.
- (ii) £97,558,280 Being the aggregate of the amounts that the Council estimates for the items set out in Sections 31A(3)(a) to (d) of the Act.
- (iii) £13,423,869 Being the amount by which the aggregate at d(i) above exceeds the aggregate at d(ii) above, calculated by the Council in accordance with Section 31A(4) of the Act, as its Council Tax Requirement for the year.
- (iv) £250.93 Being the amount at d(iii) above divided by the amount at a(i) above, calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its council tax for the year.
- (v) £3,433,188 Being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- (vi) £186.75 Being the amount at d(iv) above less the result given by dividing the amount at d(v) above by the amount at a(i) above, calculated by the Council, in accordance with section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in the parts of its area to which no special items apply.

(viii) Part of the Council's area

The amounts set out in Appendix G column (10) for the areas as set out in column (1), being the amounts given by adding to the amount at d(vi) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount a(ii) above calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

CALCULATION OF DISTRICT AND PARISH/TOWN 2025/26 COUNCIL TAX FOR ALL AREAS

Parished or Unparished Areas	Tax Base for Tax Setting Purpose	Parish Precepts	Council Tax Amount	District Special Expense	Council Tax Amount	Total Special Items (3) + (5)	For all Special Items (4) + (6)	Council Tax For General Expenses	Total (8) + (9)
(1)	(2)	£ (3)	£ (4)	£ (5)	£ (6)	£ (7)	£ (8)	£ (9)	£ (10)
Unparished Area:									
Clacton	18,307.2			423,446	23.13	423,446	23.13	186.75	209.88
Parishes of:									
Alresford	1,035.4	106,218	102.59			106,218	102.59	186.75	289.34
Ardleigh	1,209.8	97,309	80.43			97,309	80.43	186.75	267.18
Beaumont-cum-Moze	130.8	4,400	33.64			4,400	33.64	186.75	220.39
Great Bentley	1,130.1	165,000	146.00			165,000	146.00	186.75	332.75
Little Bentley	121.4	5,000	41.19			5,000	41.19	186.75	227.94
Bradfield	496.8	71,500	143.92			71,500	143.92	186.75	330.67
Brightlingsea	3,097.1	247,500	79.91			247,500	79.91	186.75	266.66
Great Bromley	441.3	33,725	76.42			33,725	76.42	186.75	263.17
Little Bromley	103.8	1,800	17.34			1,800	17.34	186.75	204.09
Little Clacton	1,095.7	90,700	82.78			90,700	82.78	186.75	269.53
Elmstead	972.2	78,250	80.49			78,250	80.49	186.75	267.24
Frating	278.9	15,774	56.56			15,774	56.56	186.75	243.31
Frinton and Walton	8,890.1	754,958	84.92	156,821	17.64	911,779	102.56	186.75	289.31
Harwich	5,749.1	217,258	37.79	102,966	17.91	320,224	55.70	186.75	242.45
Lawford	1,823.9	185,360	101.63	6,238	3.42	191,598	105.05	186.75	291.80
Manningtree	349.1	36,000	103.12	(6,472)	(18.54)	29,528	84.58	186.75	271.33
Mistley	1,329.2	104,945	78.95			104,945	78.95	186.75	265.70
Great Oakley	395.4	31,485	79.63			31,485	79.63	186.75	266.38
Little Oakley	391.4	23,405	59.80			23,405	59.80	186.75	246.55
Ramsey and Parkeston	787.4	74,600	94.74			74,600	94.74	186.75	281.49
St Osyth	2,048.1	190,000	92.77			190,000	92.77	186.75	279.52
Tendring	311.0	17,250	55.47			17,250	55.47	186.75	242.22
Thorpe-le-Soken	968.5	71,350	73.67			71,350	73.67	186.75	260.42
Thorrington	557.8	45,000	80.67			45,000	80.67	186.75	267.42
Weeley	899.1	45,170	50.24			45,170	50.24	186.75	236.99
Wix	344.8	28,832	83.62			28,832	83.62	186.75	270.37
Wrabness	231.4	7,400	31.98			7,400	31.98	186.75	218.73
	<u>53,496.8</u>	<u>2,750,189</u>		<u>682,999</u>		<u>3,433,188</u>			

PRECEPTS ON THE COLLECTION FUND

2024/25			2025/26		
51,866.0		Council Tax Base	53,496.8		
Amount	Council Tax		Amount	Council Tax	Change in Tax
£'000	£		£'000	£	%
15,123	291.58	Total Net Budget	17,660	330.11	
(4,124)	(79.51)	Less Government Support/Business Rates	(5,637)	(105.37)	
10,999	212.07	Net District Council Expenditure	12,023	224.74	
(951)	(18.34)	Less Collection Fund (surplus)/deficit	(1,349)	(25.22)	
10,048	193.73	District Council Services	10,674	199.52	2.99%
9,396	181.17	District General Expenses	9,991	186.75	3.08%
652	12.56	District Special Expenses	683	12.77	1.67%
10,048	193.73	Council Tax Requirement (TDC)	10,674	199.52	2.99%
2,541	48.98	Parish Council Services	2,750	51.41	4.96%
12,589	242.71	Council Tax Requirement (incl. parishes)	13,424	250.93	3.39%

DISTRICT AND PARISH/TOWN COUNCIL TAX AMOUNTS 2025/26

Band	A	B	C	D	E	F	G	H
Multiplier	(6/9)	(7/9)	(8/9)	(9/9)	(11/9)	(13/9)	(15/9)	(18/9)
Parished or Unparished Area								
Unparished Area:								
Clacton	139.92	163.24	186.56	209.88	256.52	303.16	349.80	419.76
Parishes of :								
Alresford	192.89	225.04	257.19	289.34	353.64	417.94	482.23	578.68
Ardleigh	178.12	207.81	237.49	267.18	326.55	385.93	445.30	534.36
Beaumont-cum-Moze	146.93	171.41	195.90	220.39	269.37	318.34	367.32	440.78
Great Bentley	221.83	258.81	295.78	332.75	406.69	480.64	554.58	665.50
Little Bentley	151.96	177.29	202.61	227.94	278.59	329.25	379.90	455.88
Bradfield	220.45	257.19	293.93	330.67	404.15	477.63	551.12	661.34
Brightlingsea	177.77	207.40	237.03	266.66	325.92	385.18	444.43	533.32
Great Bromley	175.45	204.69	233.93	263.17	321.65	380.13	438.62	526.34
Little Bromley	136.06	158.74	181.41	204.09	249.44	294.80	340.15	408.18
Little Clacton	179.69	209.63	239.58	269.53	329.43	389.32	449.22	539.06
Elmstead	178.16	207.85	237.55	267.24	326.63	386.01	445.40	534.48
Frating	162.21	189.24	216.28	243.31	297.38	351.45	405.52	486.62
Frinton and Walton	192.87	225.02	257.16	289.31	353.60	417.89	482.18	578.62
Harwich	161.63	188.57	215.51	242.45	296.33	350.21	404.08	484.90
Lawford	194.53	226.96	259.38	291.80	356.64	421.49	486.33	583.60
Manningtree	180.89	211.03	241.18	271.33	331.63	391.92	452.22	542.66
Mistley	177.13	206.66	236.18	265.70	324.74	383.79	442.83	531.40
Great Oakley	177.59	207.18	236.78	266.38	325.58	384.77	443.97	532.76
Little Oakley	164.37	191.76	219.16	246.55	301.34	356.13	410.92	493.10
Ramsey and Parkeston	187.66	218.94	250.21	281.49	344.04	406.60	469.15	562.98
St Osyth	186.35	217.40	248.46	279.52	341.64	403.75	465.87	559.04
Tendring	161.48	188.39	215.31	242.22	296.05	349.87	403.70	484.44
Thorpe-le-Soken	173.61	202.55	231.48	260.42	318.29	376.16	434.03	520.84
Thorrington	178.28	207.99	237.71	267.42	326.85	386.27	445.70	534.84
Weeley	157.99	184.33	210.66	236.99	289.65	342.32	394.98	473.98
Wix	180.25	210.29	240.33	270.37	330.45	390.53	450.62	540.74
Wrabness	145.82	170.12	194.43	218.73	267.34	315.94	364.55	437.46

CALCULATION OF ESTIMATED SURPLUS ON THE COLLECTION FUND FOR 2025/26

In January each year the Council (as billing authority) must assess the balance that will be in the Collection Fund on 31 March.

The Council Tax surplus/deficit has to be divided between this Council and the three major precepting authorities in proportion to their original budget requirements. The Business Rates surplus/deficit has to be allocated according to the statutory proportions applicable under business rates retention which are 40% Tendring District Council, 9% Essex County Council, 1% Essex Fire and the remaining 50% to Central Government.

The figures below shows this results in a net surplus for Tendring of **£1.349m** (£0.213m surplus on Council Tax and a **£1.136m** surplus on Business Rates). This surplus must be taken into account when setting the 2025/26 budget.

	COUNCIL TAX		BUSINESS RATES	
	Original Estimate £'000	Latest Estimate £'000	Original Estimate £'000	Latest Estimate £'000
Income for the Year	(108,623)	(111,150)	(29,644)	(30,549)
Expenditure				
Precepts/Share of Income				
- Essex County Council	78,968	78,968	2,566	2,566
- Essex Fire	4,285	4,285	285	285
- Essex Police	12,781	12,781	-	-
- Tendring District Council	12,589	12,589	11,405	11,405
- Central Government	-	-	14,257	14,257
Balances				
- Essex County Council	983	983	178	178
- Essex Fire	54	54	20	20
- Essex Police	158	158	-	-
- Tendring District Council	159	159	792	792
- Central Government	-	-	991	991
Other Business Rate Payments	-	-	1,131	914
(Surplus)/Deficit for Year	1,354	(1,173)	1,981	859
Add (Surplus)/Deficit Brought Forward	(1,354)	(667)	(1,981)	(3,698)
(Surplus)/Deficit Carried Forward	-	(1,840)	-	(2,839)
Allocated to:		£'000		£'000
- Essex County Council		(1,338)		(256)
- Essex Fire		(73)		(28)
- Essex Police		(216)		-
- Tendring District Council		(213)		(1,136)
- Central Government		-		(1,419)
(Surplus)/Deficit		(1,840)		(2,839)

Report under Section 25 of the Local Government Act 2003 - Robustness of Estimates and Adequacy of Reserves

As part of the requirements set out in legislation, the Chief Finance Officer (S151 Officer) must report to Council, as part of the budget process, the robustness of the estimates and the adequacy of the reserves.

In preparing this report, the Chief Finance Officer has considered the financial management / governance arrangements that are in place, budget assumptions, the financial risks facing the Council in future years and its overall financial standing / level of reserves, with each one discussed below:

Robustness of the Estimates

Financial Management / Governance Arrangements

During 2017/18, the Council introduced a new long term approach to budgeting / forecasting which saw a long term financial forecast prepared covering an initial ten year period, which is updated on a quarterly basis throughout the year.

During 2024/25, the forecast period was extended to 2033/34 with the aim of continuing to support the Council in managing its budget sustainability and delivering financial resilience over the longer term.

The long term forecast and budget setting processes continue to be 'built' on a number of key strands, which include, increases to underlying income, controlling net expenditure and inflationary pressures, actively managing cost pressures and liabilities, savings and efficiencies and delivering a favourable outturn position each year.

Taking a longer-term view of the forecast also enables the Council to respond to any significant financial impacts over several years rather than as part of an annual budget cycle, which strengthens financial resilience in the long term. This supports the active management of cost pressures with further commentary below, which will need to include the outcome from the upcoming waste and recycling contract tender, where significant additional costs are likely to arise.

Although annual budget deficits are currently forecast across the long term plan, the overall financial forecast risks are underwritten by the use of a dedicated Forecast Risk Fund. Based on current estimates, this fund is expected to be deleted during 2030/31. As highlighted within earlier reports, in terms of the later years of the forecast, it is important to highlight the significant challenges arising from inflationary increases, which are expected to exceed the Council's ability to raise income from council tax and business rates. Therefore, at some reasonable point in the future, the Council must be able to put itself in the position of balancing its annual budget, otherwise the position is not sustainable. Based on the current forecast position, the expected annual imbalance between expenditure and income is approximately **£0.700m**. This would therefore require corresponding annual on-going savings to be realised over the full forecast period to enable a balanced budget to be set each year.

With the above in mind, it is important that the Council use the time that the Forecast Risk fund provides to effectively deliver long term financial sustainability. This has been supported by the commitment made by Cabinet in its initial highlight priorities that are set out in the main body of the report.

The development of the forecast and budget remains a key focus for the Council, not only being recognised within Cabinet's initial highlight priorities for 2025/26 but also via both their formal

and informal meetings. This also continues to be supported by regular meetings between the Leader, Chief Executive and S151 Officer throughout the development of the current forecast and budget for 2025/26.

The above is complemented by reviews and associated input from the Council's Overview and Scrutiny Committees.

As has been the case in prior years, key financial issues are routinely considered as part of the preparation of the Council's Annual Governance Statement, with the required leadership demonstrated at the most senior level. As part of a direct response to previous year's outturn positions and in looking ahead to the on-going financial challenges, the Chief Executive continues to hold regular meetings with his senior management team. These meetings continue to cover a range of issues such as drawing out any potential financial issues ahead of the associated impact on the budget, promoting and overseeing any associated decision making / governance processes, to identify financial pressures that may impact on the Council's long term financial plan and to review the in-year performance against the Council's key aims and objectives and other key delivery targets.

As mentioned last year, there have been a number of Local Authority S151 Officers that have issued S114 notices. In reviewing the content of such reports, a major issue faced by Councils is not having the necessary practical and pragmatic plans in place to identify the savings required to balance their budgets, with some of their identified options for savings being seen as high risk and potentially unachievable. The Council has developed its own savings plan during the year, with a considerable element being secured / deliverable in 2025/26 rather than including items that are potentially higher risk.

As highlighted above, further savings are required and the identification of additional items will remain on-going and include a number of strands of work such as zero based reviews, balancing discretionary and statutory service requirements, reviewing service standards, exploring opportunities for efficiencies and how things could potentially be done differently. This will also need to take into account the Government's commitment to Local Government devolution / reorganisation which has introduced a further element of risk and uncertainty to the longer term financial planning process.

It is noted that the Council's partnership working remains relatively strong, which will also likely play an important part in supporting the Council's longer term financial plans e.g. the potential to draw funding together across partners to support the delivery of services and managing cost pressures and future liabilities.

The Council has already received significant funding from the Government via schemes such as 'Levelling Up', which although support the delivery of key priorities, they also introduce a significant level of additional financial risk along with resource / capacity implications. These have been set out in various reports and supported by the establishment of a Project Delivery Unit.

Regular and comprehensive monitoring of the budget will continue to be undertaken during 2025/26 as part of the well-established and comprehensive financial performance reporting process, so issues can be identified and action taken at the earliest opportunity if and when appropriate. This process, along with the complementary performance management reports will need to continue to capture important management information, including the delivery of the significant projects funded by the Government mentioned above, where the Council is acting as the accountable body.

In terms of capital investment and treasury management, the Council continues to explore

opportunities to strengthen its arrangements such as reviewing and learning from the delivery of current schemes and projects. Future schemes and projects will continue to be based on a robust and overall risk aware approach.

Reflecting on the above, it is recognised that there are risks inherent within the Council's financial framework and corresponding detailed estimates. However, actions continue to be taken to mitigate these risks as far as possible. The budgets have been prepared against the background of a continuing and challenging economic outlook.

Budget Assumptions

In previous years, the Council saw significant impacts from national and global events which still remain relevant to the forecasting process e.g. inflation.

Set against the context above, the overall forecast is based on robust and prudent estimates whilst aiming to avoid any potential optimism bias. Each element of the forecast and how it has been derived and developed over time is clearly set out within regular reports to Management Team and Members.

In terms of general inflation, this remains more stubborn than previously expected which has been reflected within the forecast.

The budget for 2025/26 largely includes unavoidable cost pressures, which were identified by maintaining a 'live' list of potential items that could emerge in consultation with Officers and Portfolio Holders. The associated process during 2024/25 has seen an active management of such items with their inclusion in the in-year budgets on as timely a basis as possible. The 2025/26 budget includes their on-going impact as necessary.

Salary estimates have over recent years also presented a significant challenge. Future increases in costs have been reflected in the forecast based on the most up to date estimates, but this significant element of the budget will be reviewed on an on-going basis heading into 2025/26, with any potential adverse issues being reported to Management Team and Members as soon as possible. The recent increase in employers' national insurance contributions have been reflected in the budget on an on-going basis. An assumption is also included in the budget in terms reflecting the Government's commitment to reimburse such costs. The increase in the minimum living wage that was also recently announced by the Government has not had a direct impact on the forecast as the Council already pays above this rate.

It is also acknowledged that the recent increase in National Insurance contributions is also likely to feed through into the supply chain, with contractors and suppliers potentially increasing prices. It is difficult to forecast the associated impact, but it has been recognised and acknowledged within the 'live' cost pressure list mentioned earlier', which will be reviewed on an on-going basis during 2025/26.

As highlighted earlier, the savings plan includes a number of low risk / deliverable items and it is also important to note that the savings do not necessarily have to accrue from the 1 April each year, given the flexibility provided by the Forecast Risk Fund. However, the earlier they can be delivered will be helpful in terms of supporting the later years of the plan.

Where there is significant uncertainty around specific lines of the future year's forecast, these have been treated as initially one-off in nature and subject to further review during 2025/26.

The detailed budget for 2025/26 has been prepared within the above context and clear rationale has been stated in respect of the formulation of the financial forecast and how it has been translated into the detailed budgets. This has been supported by a risk assessment of each line

of the forecast.

The budget presented for 2025/26 sets out a balanced position, although it includes the use of one-off funding in the short term as has been the case in previous years. However, the long term forecast still provides an effective method of managing financial risks. The on-going impact from various financial challenges will continue to develop / evolve and it is therefore important to highlight that the money set aside in the forecast risk fund continues to reflect a balanced and realistic approach and as discussed above, it provides the flexibility and time to consider the longer term plan and savings that will be required in a more informed way rather than having to potentially take quick / short term decisions.

Delivering a positive outturn position each year

To support the current financial planning approach and flexibility that the forecast risk fund provides, the forecast continues to include in-year savings targets of **£250k**. This remains an important element of the overall financial forecast which will be reviewed as part of the regular financial performance reports during the year, along with the outturn position at the end of each year.

As discussed earlier, cost pressures continue to present a significant risk to the forecast, especially given the amount of unavoidable cost pressures identified in recent years. Although on-going revenue items remain the most difficult items to respond to, one-off items, such as those associated with repairing / refurbishing assets could also have a significant impact on the forecast. However in respect of the latter, one-off funding remains available elsewhere in the budget to support these costs which 'protects' the underlying revenue budget from the associated risk. This continues to form a wider approach to responding to further cost pressures with additional comments set out in the risk section below.

It is also important to highlight that wherever possible, the Council continues to 'cash back' schemes and projects so their delivery is secured, rather than relying on projected savings or future forecasts to fund them. This also 'protects' the underlying revenue budget, as investment in priorities are not necessarily jeopardised by changes in the forecast.

The financial forecasting / budget setting process continues to remain alert to government announcements and the impact of external issues such as funding receivable from elsewhere within the public sector. Via the forecast and by maintaining a 'live' potential cost pressure list, active financial management and planning continues to reflect the outturn position from the previous year along with emerging issues, which allows the Council to remain alert to changes to its financial position.

Financial Risks

The financial forecasting process continues to include a risk assessment of each line of the long term plan. The future financial settlement arrangements with the Government remains a key risk along with cost pressures and savings and together they represent the highest rated risks within the long term forecast.

It is important to highlight that like many other Councils, this Council has had to rely on the use of reserves to balance the budget, albeit in a planned way via the Forecast Risk Fund. It is essential that the Council continues to work towards delivering in-year balanced budgets as soon as possible over the forecast period rather than continue to rely on reserves, which is recognised as not sustainable in the longer term.

The revised forecast continues to seek to balance optimism / pessimism bias that is inherent in any forecasting process. A good example of this being the on-going inclusion within the forecast of income from the New Homes Bonus and the benefit of being a member of the Essex

Business Rates Pool. As highlighted last year, there was a significant departure from earlier years where the Council historically refrained from using potentially one-off money to support the underlying budget. Although there are no long term guarantees around such sources of funding, it is expected that they will continue in the short term. However, such items will continue to be reviewed on an on-going basis and if any information comes to light that indicates an increased risk, then the forecast will be updated and reported to Members as soon as practicable.

As highlighted earlier, the mitigation of cost pressures will continue to form an important element of the Council's financial plans. Although the cost pressures included within the budget to date largely reflect unavoidable items, it is acknowledged that there are likely to be significant financial demands on the Council's resources, such as those relating to the repairs and maintenance of property and other assets, supporting 'spend to save' initiatives and items to support the delivery of the corporate priorities and objectives. With this in mind, a Corporate Investment Fund (CIF) was established during 2024/25 where associated decisions can be taken both as part of the annual budget setting process and 'outside' of this process during the year if required.

There have also been a number of cost pressures that have been considered but no adjustment proposed. This includes planning income (and associated activities) and crematorium income which are both lower than expected to date in 2024/25. Such income streams have historically recovered over time and therefore the budget for 2025/26 has not been adjusted at the present time. The position will be monitored during next year as part of the quarterly financial performance reports. It is also important to mention the potential changes that are likely to emerge from the Government's National Planning Policy Framework that is currently being developed, which is likely to have an impact on the level of planning fees chargeable by Councils.

As highlighted throughout the year, the cost of homelessness continues to be a significant challenge for most Councils across the country. The Government have recognised this position and have committed to providing additional funding to Councils to support them in meeting this challenge - the Council has recently been notified that it will receive total funding of **£1.457m** in 2025/26. An additional **£0.500m** has also been included as a further on-going cost pressure within **Appendix C**, which together can support this on-going challenge.

As acknowledged above, the outcome from the upcoming waste and recycling contract tender will be known early in 2025/26. The risk of costs significantly increasing is high, and further savings / cost reductions may be necessary to accommodate such increases, which will need to be considered as part of developing the forecast during 2025/26.

As recognised within the risk assessment associated with the long term forecast, the Government have announced a number of upcoming changes to the money paid to Local Councils within the wider financial settlement process, with a summary set out in the main body of the report. Together they present a significant risk to Councils, not least the level of uncertainty when forecasting beyond 2025/26. The importance of reserves and contingencies therefore remains an important element of the Council's financial planning over the years ahead, with some additional comments set out below.

The Council will maintain a risk assessment along with sensitivity testing alongside the on-going development of the forecast. This will therefore continue to complement other financial planning processes, which together can act as an 'early warning' system to inform future iterations of the forecast and potential interventions as necessary.

Financial sustainability also continues to be an important element within the Council's Corporate

Risk Register which is monitored by Senior Managers and the Audit Committee on a regular basis.

In addition to the above, it is also worth highlighting that key financial activities are also highlighted within the Council's Annual Governance Statement, with the aim of strengthening the Council's governance arrangements on an on-going basis, which in turn aims to support the Council's long term sustainability and effective use of its resources.

The Council's former External Auditors recently provided their value for money commentary on the Council's use of resources. This covered a number of key elements such as financial sustainability and governance, and as highlighted in the main body of the report, they confirmed that they did not find any significant weaknesses in the Council's arrangements.

Adequacy of the Reserves / Financial Standing

An integral part of the Council's overall strategy is that the level of reserves is sufficient to support identified risks along with supporting a sustainable budget position in the longer term. This is especially important given the comment earlier relating to the potential changes to the Government's proposed review of how Councils are funded.

The report to Cabinet in December 2024 set out a review of reserves, which is undertaken annually as part each year's budget setting cycle. When taken together with the Forecast Risk Fund, which supports overlapping risks, the current level of reserves, including the Council's uncommitted reserve (£4.000m), remains adequate.

In addition to the forecast risk fund, the uncommitted reserve and other specific earmarked reserves, a number of other important general reserves are still maintained, with the following key reserves still held that support the Council's underlying financial resilience:

- the Council has prudently set aside money for other significant risks in the forecast such as **£1.758m** (NDR Resilience Reserve) and **£1.000m** (Benefits Reserve), which can be taken into account during the period of the forecast if necessary; and
- **£1.019m** remains set side to mitigate cost pressures associated with the repair and maintenance of Council assets along with supporting the Council's commitment to carbon neutrality.

The above, along with the on-going / annual review of reserves, continues to help the Council demonstrate that the current level of reserves remain adequate / prudent to 'underwrite' risks and uncertainties that are inherent within the forecasting process. No significant adjustments have been required in 2025/26 that weaken the overall longer term approach to the forecast.

It is also worth highlighting the Best Value Duties placed on Local Authorities that has been highlighted within the various financial performance / budget reports during the year. By continuing to maintain a focus on this key duty, it should support a number of cross cutting financial and governance themes that in turn support robust financial management and sustainability that is expected of a well-functioning local authority.

The proposed budget for 2025/26 resulting from the above processes and governance arrangements is therefore robust / deliverable, and underwritten / supported by reserves.

COUNCIL

11 FEBRUARY 2025

REPORT OF CABINET

A.2 EXECUTIVE'S PROPOSALS – HOUSING REVENUE ACCOUNT BUDGET 2025/26

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to Council the Executive's Housing Revenue Account (HRA) budget proposals for 2025/26 (including fees and charges, capital programme and movement in HRA Balances).

EXECUTIVE SUMMARY

- The information and recommendations set out in this report reflect the Executive's HRA budget proposals, which were approved for submission to Council at their meeting on 31 January 2025.
- There have only been a very limited number of changes since Cabinet met on 31 January 2025, which have been reflected in **Appendices A to E** as necessary. The outcome of the changes required is a reduced deficit of **£1.043m** in 2025/26 compared with the figure of **£1.131m** reported to Cabinet in January. It is proposed to fund this estimated deficit by calling money from HRA balances as an alternative to potentially reducing expenditure.
- As has been the case in previous years, the use of reserves strikes a necessary balance of 'protecting' the investment in tenants' homes whilst recognising the need to use reserves to respond to the on-going financial challenges that the Council continues to face. It is however recognised that this is not a sustainable long-term solution, but it enables the Council to meet its key priorities in the immediate term, which can be revisited as part of the HRA Business Plan in future years.
- The above challenge is recognised within Cabinet's current initial highlight priorities for 2025/26.
- For 2025/26, the Executive's budget proposals set out an increase in dwelling rents of 2.7% along with a total HRA expenditure budget of **£18.592m** (net of indirect income / expenditure) and a capital programme totalling **£5.106m**.
- The 2.7% increase in dwelling rents results in an average weekly rent of **£103.49** in 2025/26. (*£100.89 in 2024/25*)
- **Appendix C** sets out the proposed fees and charges for 2025/26, which broadly reflect inflationary uplifts of 2.7% where relevant or other inflationary changes to better reflect the cost of providing the associated service.
- The proposed budget reflects the continued repayment of debt, with the total level of existing debt falling from **£32.535m** to **£31.120m** at the end of 2025/26.

- The HRA general balance is forecast to total **£2.683m** at the end of 2025/26, which retains a strong financial position against which the associated HRA 30 Year Business Plan can continue to be delivered / developed.
- The HRA balances, together with the proposed rent increase for 2025/26 are important elements of delivering a financially sustainable HRA in the longer term.
- The HRA Business Plan and proposed budget play a significant role in the delivery of affordable and decent housing in the district and the Council's responsibilities as a landlord has direct implications for the Council's ability to deliver on its objectives and wider priorities. This recognises the socio-demographics of the area and the increased focus on housing standards by the Government / Regulator.

RECOMMENDATION(S)

That Council approves:

- (a) A 2.7% increase in dwelling rents in 2025/26; and**
- (b) subject to (a) above, the Housing Revenue Account Budget for 2025/26 as set out in Appendix B, along with the Fees and Charges, HRA Capital Programme and the movement in HRA Balances / Reserves as set out in Appendix C to Appendix E respectively.**

REASON(S) FOR THE RECOMMENDATION(S)

To enable the Council to consider for approval the most up to date HRA Business Plan and proposed HRA budget for 2025/26.

ALTERNATIVE OPTIONS CONSIDERED

This is broadly covered in the main body of the report and earlier reports presented to Cabinet as part of developing the business plan and detailed estimates.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

A revised Corporate Plan and Vision was approved by Full Council at its meeting on 28 November 2023. One of the 6 included themes is Pride in our Area and Services to Residents, with a commitment to providing decent housing that everyone deserves.

At its meeting on 20 December 2024, Cabinet agreed a number of initial highlight priorities for consultation, which included:

To develop proposals to secure the long-term sustainability of Housing Revenue Account (HRA)

In respect to the Council's own housing stock, drive improvement with expanded estate management.

To develop the long term HRA 30 Year Business Plan proposals to secure sustainability of the HRA to include:

- Management of long-term empty properties.
- Responding to the new Government’s drive to increase the stock of social housing e.g. additional flexibilities relating to retained “Right-to-Buy” (RTB) receipts.

The above form important elements of supporting the Council in delivering financial sustainability over the life of the business plan.

The HRA budget and Business Plan play a significant role in the delivery of affordable and decent housing in the district and the Council’s responsibilities as a landlord has direct implications for the Council's ability to deliver on its objectives and priorities.

OUTCOME OF CONSULTATION AND ENGAGEMENT

Internal consultation is carried out via the Council’s approach to developing the budget as set out within the Constitution.

The Resources and Services Overview and Scrutiny were consulted on the budget proposals at their meeting on 13 January 2025, with their comments considered by Cabinet on 31 January 2025.

A consultation exercise with the Tenants’ panel is scheduled to take place ahead of the Full Council meeting on 11 February 2025. Any comments arising from this consultation will be provided to members, either ahead of the Full Council meeting on 11 February 2025 or directly at that meeting.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	Yes	If Yes, indicate which by which criteria it is a Key Decision	<input checked="" type="checkbox"/> Significant effect on two or more wards <input checked="" type="checkbox"/> Involves £100,000 expenditure/income <input type="checkbox"/> Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	This item has been included within the Forward Plan for a period in excess of 28 days.

It is a statutory requirement on a local authority to determine its Housing Revenue Account budget before the upcoming financial year and to ensure that its implementation will not result in an overall debit balance on the Account. The plan and strategy which comprise the Housing Investment Programme (HRA Business Plan and Housing Strategy) form part of the Council’s policy framework which must be approved or adopted by the Full Council, as set out in Article 4 of the Council’s Constitution.

The self-financing regime for the Housing Revenue Account that came into effect from April

2012 was enabled by the Localism Act 2011.

The Regulator of Social Housing and its predecessor bodies have, at the Direction of Government, issued requirements and guidance to registered providers of social housing (which includes Local Authorities) in respect of rents. This has included the maximum levels of rent they can charge and annual increases in rents.

In 2016, Parliament passed the Welfare Reform and Work Act, which, together with Regulations made under it, created a legislation-based regime of rent reduction across the sector by 1% per year until 2020. Therefore, over this 4-year period, providers were required to reduce rents by 1% per year across its housing stock.

In October 2017, the Government announced that at the end of the 4-year rent reduction period it intended to return to annual rent increases of up to CPI + 1%, implemented through the regulator's Rent Standard rather than through legislation.

The Secretary of State for Housing, Communities and Local Government published on 26 February 2019 a 'Direction to the Regulator' to set a Rent Standard that will apply from 1 April 2020. That Direction was published alongside the Government's Policy Statement on Rents (the Policy Statement) and the regulator is required to have regard to this when setting its Rent Standard.

The regulator may under section 194(2A) of the Housing and Regeneration Act 2008 set standards for registered providers requiring them to comply with specified rules about their levels of rent (and the rules may, in particular, include provision for minimum or maximum levels of rent or levels of increase or decrease of rent).

Under the above direction, the Regulator of Social Housing confirmed rents could increase by up to CPI+1% per year for a period of 5 years starting from 1 April 2020. The Government did intervene in 2023/24, as based on this formula, rents would have increased by amounts in excess of 10% in that year given the high level of CPI at the time. Therefore to 'protect' existing tenants, whilst balancing the financial impact on Local Authorities, the Government set a rent increase 'cap' of 7% for 2023/24. The Government made it clear that this rent 'cap' would be set for only 2023/24 rather than for any longer period.

The Government are consulting on the introduction of a new rent policy from 1 April 2026 and in the interim period have issued a direction to the Regulator for Social Housing applicable to rents in 2025/26 only. Although the potential impact of the emerging rent policy will be considered as part of developing the HRA Business Plan in future years, for 2025/26 the direction issued allows for the continuation of the previous policy of applying CPI+1% to rent increases for existing tenants.

The rent standard does not apply to properties let to high-income social tenants, so rather than this being a mandatory requirement it remains a voluntary decision taken at a local level. In continuing with the approach agreed last year, given the very challenging administrative issues associated with charging higher rents to high-income tenants, it is not proposed to introduce this in 2025. However, it is acknowledged that this flexibility may be subject to review in future years, for example, as part of developing future policy decisions within the HRA and is subject to the Government's development of the proposed new rent policy from April 2026.

The Housing and Planning Act 2016 introduced a number of changes that had an impact on

social housing, which via associated regulations, continue to be reflected in the HRA estimates as necessary.

The Social Housing (Regulation) Act 2023 saw the introduction of a new era of regulation for the social housing sector, which the Council has responded to in 2024/25. Work remains ongoing to respond to the ongoing activities associated with the new regulatory regime, which includes reflecting the expected impact within the development of the HRA Business Plan.

The original HRA 30 Year Business Plan was agreed as part of the self-financing reforms and associated borrowing agreed by Full Council in February 2012 and the budget proposed for 2025/26 reflects the latest / updated forecast position set out in **Appendix A**.

As referenced within Cabinet's draft highlight priorities for 2025/26, although it is proposed to develop a revised Housing Strategy, in terms of the budget proposals for 2025/26 set out in this report, they are not in conflict with the existing Strategy and/or wider policy framework.

YES	The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:
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It is important to highlight that further decisions will be necessary to take actions forward that are reflected in the business plan and where these are required, the information must be published setting out the reasons for such decision.

It is also necessary to highlight the key elements of the Best Value Duty that is set out within the General Fund Budget report presented earlier in the agenda. These equally apply to the HRA with financial management and sustainability a reoccurring expectation of a well-functioning local authority.

Reference is made to the HRA Business Plan and Housing Strategy being part of the Policy Framework, and although the Cabinet's Highlight Priorities for 2024/25 and draft priorities for 2025/26 provide for a revised strategy to be presented for recommendation onto Council for adoption, and implementation, reassurance has been provided that nothing within this Report on the HRA Budget and its proposals contradict the existing Housing Strategy adopted by Full Council.

FINANCE AND OTHER RESOURCE IMPLICATIONS

The financial implications are set out in this report and its appendices.

Although the availability of financial resources is a key component in the delivery of HRA services, there will also be a need for appropriate input of other resources such as staffing, assets, IT etc.

YES	The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:
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The S151 Officer is the author of this report.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	This is addressed in the body of the report.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	In terms of an independent view, the Council's previous External Auditor recently submitted their Annual Report that includes their commentary on the Council's use of resources.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	The report was considered by the Council's Audit Committee on 9 December with the Auditor's headline statement as follows: <i>"Our VFM work for 2020/21 to 2022/23 has not identified any significant weaknesses in the Authority's arrangements".</i>

MILESTONES AND DELIVERY

This reports forms the final element of the Council's annual HRA budget setting process, with the final budget proposals set out in this report being considered by Full Council in advance of the year that they relate to.

ASSOCIATED RISKS AND MITIGATION

There are significant risks associated with forecasting such as cost pressures, inflation and changes to other assumptions that form part of the financial planning process. These have been brought into even sharper relief given the current challenging economic environment and new era of social housing regulation mentioned earlier. The Council's initial / short-term response is set out in the body of this report and will continue to be addressed as part of the future financial update reports.

The inherent risks associated with the 30 year business plan forecast include:

- Changes in income achieved and future rent setting policy
- Emergence of additional areas of spend
- Emergence of new or revised guidance
- New legislation / burdens / regulation
- Changing stock condition requirements
- Adverse changes in interest rates
- National welfare reforms

In view of the above, it is important that a sufficient level of balances / reserves is available to support the HRA. HRA General Balances are currently forecast to be **£2.683m** at the end of 2025/26. This is after taking account of the proposal to draw down money in 2025/26 that has been partly offset by the additional estimated contribution to balances of **£0.418m** in 2024/25. The remaining balance continues to be available to support the delivery of the HRA business plan in future years.

A 30 Year HRA Business Plan is maintained on an on-going basis that continues to demonstrate the sustainability and resilience of the HRA within a self-financing environment and the ability to potentially provide opportunities for housing investment and associated housing services in the future, although it is acknowledged that the longer-term view always remains subject to the Government's housing policies and changes to the regulatory regime. It is worth highlighting the potential impact of Local Government devolution / LGR which could make financial planning even more challenging over the business plan period.

As highlighted within earlier reports and referenced above, one of the biggest impacts on the overall financial position of the HRA in future years is the current regulatory regime for social housing. This is in addition to the national trend of continuing increases in housing disrepair claims made against local authorities. The Council remains committed to providing good quality housing in terms of both its current stock of housing and in its ambition of building / acquiring new homes for local people. Given the financial issues set out in this report, the balance between the two remains challenging in the short to medium term.

EQUALITY IMPLICATIONS

See comments below within the ‘Other Relevant Considerations or Implications’ section.

SOCIAL VALUE CONSIDERATIONS

See comments below within the ‘Other Relevant Considerations or Implications’ section.

IMPLICATIONS FOR THE COUNCIL’S AIM TO BE NET ZERO BY 2050

See comments below within the ‘Other Relevant Considerations or Implications’ section.

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

In carrying out its functions as a social landlord, the Council has regard to the need to reduce the potential for criminal activity by improving the security of dwellings as part of maintenance and repair programmes and for combating anti-social behaviour through effective management procedures.

Although there are no direct equality and diversity issues, the overall HRA and associated financial planning and decision making processes will recognise and include such issues where appropriate and relevant.

Work undertaken within the HRA and associated capital programme will take into account any opportunities to contribute to these key priorities where possible. The on-going / cyclical stock condition survey work will also support this approach.

Whilst this report does not have a direct impact on the Council’s commitment to carbon neutrality, any work undertaken within the HRA and associated capital programme will take into account any opportunities to contribute to this key priority where possible. The on-going stock condition survey work will also support this approach.

Crime and Disorder	Please see comments above
Health Inequalities	
Area or Ward affected	

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND FINAL HRA BUSINESS PLAN AND BUDGET PROPOSALS 2025/26

On 31 January 2025 Cabinet considered the following report:-

A.6 UPDATED HOUSING REVENUE ACCOUNT BUSINESS PLAN AND BUDGET PROPOSALS 2025/26

It was resolved that Cabinet:

- (a) *approves the updated HRA Business Plan, which includes the proposed position for 2024/25 and 2025/26 as set out in Appendix A to the Portfolio Holders' joint report (A.6); and*
- (b) *authorises the Director (Finance & IT) to adjust the forecast / budget, including the use of reserves, in consultation with the Portfolio Holder for Housing and Planning and the Portfolio Holder for Corporate Finance and Governance if the financial position changes prior to Full Council considering the HRA budget on 11 February 2025.*

RECOMMENDS TO COUNCIL *that a 2.7% increase in dwelling rents in 2025/26 along with the detailed HRA Budget proposals for 2025/26, as set out in Appendices B to E of the Portfolio Holders' joint report (A.6), be approved.*

There have only been a limited number of charges required since 31 January 2025, which primarily reflect the final recharges from the General Fund. The changes required are highlighted in Column 7 within **Appendix A**. The net change totals **£0.088m**, with the deficit reported to Cabinet in January decreasing from **£1.131m** to **£1.043m**. **Appendices B and E** have also been updated to reflect this change.

As set out in the earlier reports to Cabinet, in terms of 2025/26, it is proposed to meet the above deficit from HRA balances rather than reduce other lines of the budget which could be an alternative approach. Many of the other lines of the forecast are effectively 'fixed' or largely unavoidable, for example the financing of loan repayments, with the only viable option therefore relating to potentially reducing officer capacity or expenditure on tenants' homes etc. These options would be a significant risk given the new era of social housing regulation and it would see a potentially significant reduction in the investment in the housing stock, which would be challenging ahead of the revised decent homes standard that is expected this year.

As has been the case in previous years, the use of reserves strikes a necessary balance of 'protecting' the investment in tenants' homes whilst recognising the need to use reserves to respond to the on-going financial challenges that the Council continues to face. It is however recognised that this is not a sustainable long-term solution, but it enables the Council to meet its key priorities in the immediate term, which can be revisited as part of the HRA Business Plan in future years.

Notwithstanding the above, based on current forecasts of future years of the business plan, the potential use of reserves would significantly reduce the general HRA balance over the next two to three years. It will therefore be important that the Council explores opportunities to balance the various competing issues during 2025/26, to inform the business plan and budget from 2026/27, which has been acknowledged within Cabinet's initial highlight priorities mentioned earlier.

In terms of 2024/25, it is proposed to contribute the revised net surplus of **£0.418m** to HRA balances. When taken together with the surplus reported as part of the outturn position for

2023/24, a total of **£0.938m** would have been paid into the general HRA reserves during 2024/25. This therefore more than offsets the use of the same reserve (**£0.860m**) to successfully complete the Spendells House capital scheme that was agreed earlier in the year. In terms of this latter point, it is also important to repeat the point included in the separate report considered by Cabinet in May 2024 and within associated discussions, that there remained a value for money case for the Spendells House project with the project therefore going ahead as planned, so it was not a case of diverting investment from elsewhere in the HRA or other opportunity costs emerging.

In respect of **Appendix A**, Column 6 sets out the forecast against which the detailed budgets have been finalised and as set out in the report to Cabinet on 31 January 2025, some key budget headlines as follows:

- Rents are proposed to be increased by 2.7% resulting in an average weekly rent of **£103.49** in 2025/26.
- **£9.453m** is included within the forecast that relates to major refurbishment and repairs to the housing stock, an increase of **£1.900m** compared to 2024/25.
- Current estimates put the total HRA reserves at **£7.130m** by the end of 2025/26, with the general balances element within this amount being **£2.683m**.
- With forecast repayments of principal of **£1.415m** in 2025/26, the level of HRA debt at the end of 2025/26 is forecast to be **£31.120m**, with some additional details also set out below.

Appendices C and D set out proposed fees and charges and the HRA capital programme respectively. These have remained unchanged to the figures reported to Cabinet in January and broadly reflect inflationary increases of 2.7% where relevant (in line with the same increase applied to rents) or other inflationary changes to better reflect the cost of providing the associated service.

HRA Debt

Loans taken out to support the self-financing reforms back in 2012 continue to be repaid each year, with individual loans being completely paid off on a five year cycle, that reflects the loan structure agreed at the time. This approach results in lower debt and interest payments on an on-going basis over the 30 years of the business plan.

As part of previous business plan reviews it was agreed that more historic debt would be considered in future years, especially as it became repayable. Historic debt was traditionally based on 'interest only' type loans, which were 'replaced' as they matured. With this in mind, an historic loan of **£1.000m** matures in 2025/26. As was the case in 2022/23 and 2024/25, rather than simply refinance the loan with a further external loan, it is instead proposed to be refinanced via internal borrowing that takes advantage of the current positive cash flow position of the Council, whilst avoiding the current high interest rates at the present time. This therefore reduces net interest costs, which is reflected in the attached business plan. It is important to highlight that even though the money has been 'borrowed' internally, it is still included within the total outstanding HRA debt, which will need to be repaid at some time in the future either directly via revenue contributions / major repairs allowance or via

'replacement' external loans.

Although no provision has been made to repay the loan off at the present time, the position will be considered in future years along with the other historic HRA loans that were in place before the self-financing reforms, to provide a prudent / sustainable approach to managing this debt in the longer term.

Summaries of the proposed budgets for 2025/26 are as follows:

Table 1 – HRA Fund Revenue Budget

	2024/25 Original Budget £m	2025/26 Original Budget £m
Direct Expenditure	10.252	12.097
Direct Income	(16.720)	(17.513)
Indirect Income / Expenditure including Financing Costs <i>(including use of planned revenue commitments reserve in 2025/26)</i>	6.127	6.459
NET (SURPLUS) / DEFICIT	(0.493)	1.043
Contribution to / (from) Reserves	0.493	(1.043)

Table 2 – HRA Capital Programme

	2025/26 Original Budget £m
EXPENDITURE	5.106
FINANCING	
Major Repairs Reserve	3.556
Direct Revenue Contribution	1.550
Total Financing	5.106

HRA 30 YEAR BUSINESS PLAN / ROBUSTNESS OF THE HRA ESTIMATES

The formulation of the budget for 2025/26 is set against the context of the longer-term business plan. As highlighted within the legal and risk sections above, one area that is important to note, as it will have a major impact on the overall financial position of the HRA in future years, is the new era of social housing regulation emerging from the Social Housing (Regulation) Act 2023. This is in addition to the continuing national trend of increasing housing disrepair claims made against local authorities.

The Council remains committed to providing good quality housing and the proposed budget reflects the necessary investment in existing tenants' homes.

The business plan and budget continue to be 'built' on the basis of balancing optimism and caution across the various lines of the forecast. This includes acknowledging the increases in rent each year within the limits set out by the Social Housing regulator. The telescopic impact from not maximising rent increases are acknowledged as part of the budget setting process, with the aim of avoiding the knock-on impact from any alternative short term approach in later years of the forecast. Rental income continues to be supported by strong management intervention over the last few years to bring the level of void loss down to more favourable historic levels.

The structure of the loans taken out to support the self-financing reforms highlighted earlier will also provide financial 'headroom' in later years of the forecast to support future investment decisions.

The Council remains alert to any changes that may be required in managing its housing stock, which are reflected in the 30 Year business plan as necessary. The business plan will continue to be subject to updates during 2025/26 with the on-going aim of delivering the long term financial sustainability of the HRA, a commitment also reflected within Cabinet's initial highlight priorities mentioned earlier.

Taking into account all relevant issues, including the background to future years of the business plan highlighted above, the estimates for 2025/26 can be considered as robust.

It is worth highlighting a number of issues presented within the Financial Performance Report that was considered by Cabinet on 21 October 2024, where a number of changes relating to the Right to Buy regime were set out, which included the following increased flexibilities in 2024/25 and 2025/26:

- The maximum permitted contribution from RTB receipts to replacement affordable housing has increased from 50% to 100%.
- RTB receipts will be permitted to be used alongside section 106 contributions which was previously prohibited.
- The cap on the percentage of replacements delivered as acquisitions each year (currently 50%) has been lifted.

As part of its Autumn Budget Statement, the Government made further announcements on a number of key HRA issues, which included the following:

- The Government will make 100% retention of Right to Buy (RTB) receipts permanent from 1 November 2024.
- RTB discounts will return to their pre-2012 levels from 21 November 2024.
- The Government will consult on a five-year rent settlement of CPI+1% for social landlords, with potential for this to be extended to 10 years.
- Preferential Public Works Loan Board borrowing rates for local authorities to build social housing will be extended to March 2026.

The impact and flexibilities that all of the above may bring to Local Authorities will be reviewed and considered as part of the on-going development of the HRA Business Plan, and

Capital Programme.

PREVIOUS RELEVANT DECISIONS

Financial Performance Report 2024/25 – General Update at the end of July 2024 - Item A.2 Cabinet 21 October 2024.

Financial Performance Report 2024/25 – General Update at the end of September 2024 - Item A.8 Cabinet 15 November 2024.

Updated Housing Revenue Account Business Plan and Budget Proposals 2025/26 – Item A.11 Cabinet 20 December 2024.

Updated Housing Revenue Account Business Plan and Budget Proposals 2025/26 – Item A.6 Cabinet 31 January 2025.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Appendix A Updated HRA Business Plan

Appendix B Detailed HRA Budget Proposals 2025/26

Appendix C HRA Proposed Service Charges / Fees and Charges 2025/26

Appendix D HRA Capital Programme

Appendix E HRA Reserves 2025/26

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Line	RAG Rating	Year 13 Original	Year 13 Revised	Year 13 Change	Year 14 Reported Dec 24	Year 14 Revised Jan 25	Year 14 Final Feb 25	Year 14 Change Jan 25 v Feb 25
		2024/25 (1) £	2024/25 (2) £	2024/25 (3) £	2025/26 (4) £	2025/26 (5) £	2025/26 (6) £	2025/26 (7) £
Expenditure								
1		3,622,530	3,970,370	347,840	4,347,100	4,347,100	4,347,100	0
2		2,906,670	2,906,670	0	3,555,960	3,555,960	3,555,960	0
3		407,570	407,570	0	0	0	0	0
4		2,777,600	3,019,190	241,590	3,019,630	2,980,260	2,980,260	0
5		537,600	537,600	0	537,600	537,600	537,600	0
6		55,440	55,440	0	55,440	55,440	55,440	0
7		77,830	147,830	70,000	149,290	149,290	149,290	0
8		75,390	75,390	0	77,650	77,650	77,650	0
9		613,630	1,463,630	850,000	1,550,270	1,550,270	1,550,270	0
10		1,153,530	1,153,530	0	1,062,330	1,062,330	1,062,330	0
11		1,414,300	1,414,300	0	1,414,300	1,414,300	1,414,300	0
12		2,737,540	2,812,730	75,190	2,949,810	2,949,810	2,862,010	(87,800)
		16,379,630	17,964,250	1,584,620	18,719,380	18,680,010	18,592,210	(87,800)
Income								
13		(15,389,030)	(15,689,030)	(300,000)	(16,129,490)	(16,129,490)	(16,129,490)	0
14		(584,260)	(584,260)	0	(600,040)	(600,040)	(600,040)	0
15		(179,250)	(179,250)	0	(184,090)	(184,090)	(184,090)	0
16		(185,370)	(185,370)	0	(217,580)	(217,580)	(217,580)	0
17		(32,910)	(32,910)	0	(32,910)	(32,910)	(32,910)	0
18		(329,720)	(459,720)	(130,000)	(329,720)	(329,720)	(329,720)	0
19		(19,500)	(19,500)	0	(19,500)	(19,500)	(19,500)	0
		(16,720,040)	(17,150,040)	(430,000)	(17,513,330)	(17,513,330)	(17,513,330)	0
20		(152,460)	(1,232,150)	(1,079,690)	(35,860)	(35,860)	(35,860)	0
Surplus (-)/Deficit (+) on HRA Balance		(492,870)	(417,940)	74,930	1,170,190	1,130,820	1,043,020	(87,800)

* This adjustments relates to a separate decision earlier in the year

Revenue Estimates 2025/26

Housing Revenue Account (HRA)

<u>Analysis by Type of Spend</u>	2024/25 Original Estimate £	2025/26 Original Estimate £
Direct Expenditure		
Employee Expenses	1,933,820	2,073,680
Premises Related Expenditure	4,384,690	5,171,050
Transport Related Expenditure	37,870	37,870
Supplies & Services	696,590	689,060
Third Party Payments	1,030	61,030
Transfer Payments	17,000	37,000
Interest Payments	1,153,530	1,062,330
Direct Capital Financing Costs	2,027,930	2,964,570
Total Direct Expenditure	10,252,460	12,096,590
Direct Income		
Other Grants, Reimbursements and Contributions	(8,440)	(8,440)
Sales, Fees and Charges	(628,230)	(644,010)
Rents Receivable	(15,754,250)	(16,531,760)
Interest Receivable	(329,120)	(329,120)
Total Direct Income	(16,720,040)	(17,513,330)
Net Direct Costs	(6,467,580)	(5,416,740)
Indirect Income/Expenditure		
FRS17/IAS19 Pension Costs	0	0
Service Unit and Central Costs	2,911,930	3,036,400
Capital Financing Costs	3,389,630	3,633,610
Recharged Income	(174,390)	(174,390)
Total Indirect Income/Expenditure	6,127,170	6,495,620
Contributions to/(from) reserves		
Contributions to/(from) Reserves	340,410	(1,078,880)
Total Contributions to/(from) reserves	340,410	(1,078,880)
Net Contribution to/(from) Reserves	340,410	(1,078,880)
Total for HRA	0	0

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £
HRA - I&E - Capital Grants		
Indirect Income/Expenditure	0	0
Net Total	0	0
HRA - MIRS Items to be excluded from HRA balance		
Direct Expenditure	613,630	1,550,270
Indirect Income/Expenditure	345,570	(62,000)
Net Total	959,200	1,488,270
HRA - MIRS Reversal of Capital Grant		
Indirect Income/Expenditure	0	0
Net Total	0	0
HRA - MIRS HRA - Contributions Payable to the Pension Scheme		
Direct Expenditure	0	0
Net Total	0	0
HRA - MIRS Total IAS 19 Adjustments		
Indirect Income/Expenditure	0	0
Net Total	0	0
HRA - MIRS Minimum Revenue Provision		
Direct Expenditure	1,414,300	1,414,300
Net Total	1,414,300	1,414,300
Total for Finance - Financing Items	2,373,500	2,902,570
HRA - Lease Holders Charges		
Direct Income	(90,470)	(90,470)
Indirect Income/Expenditure	16,530	17,310
Net Total	(73,940)	(73,160)
Total for CD Operations and Delivery Management and Administration	(73,940)	(73,160)

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £
HRA - Policy & Management		
Direct Expenditure	53,940	53,940
Indirect Income/Expenditure	445,880	450,270
Net Total	499,820	504,210
HRA - Tenancy Management & Rent Collection		
Direct Expenditure	1,128,660	1,236,070
Direct Income	(8,440)	(8,440)
Indirect Income/Expenditure	584,240	575,860
Net Total	1,704,460	1,803,490
HRA - Tenant Relations		
Direct Expenditure	107,390	130,260
Direct Income	(2,200)	(2,200)
Indirect Income/Expenditure	36,600	68,440
Net Total	141,790	196,500
HRA - Right to Buy Administration		
Direct Expenditure	51,940	54,210
Direct Income	(19,500)	(19,500)
Indirect Income/Expenditure	76,040	85,330
Net Total	108,480	120,040
HRA - Unapportionable Central Overheads Contribution		
Indirect Income/Expenditure	275,720	275,720
Net Total	275,720	275,720
HRA - Pumping Stations		
Direct Expenditure	6,570	6,570
Direct Income	(2,920)	(2,920)
Indirect Income/Expenditure	5,520	5,940
Net Total	9,170	9,590
HRA - Sewerage Expenses		
Direct Expenditure	22,200	22,200
Direct Income	(22,980)	(22,980)
Indirect Income/Expenditure	5,420	7,040
Net Total	4,640	6,260
HRA - Communal Central Heating		
Direct Expenditure	249,500	249,500
Direct Income	(92,130)	(92,130)
Indirect Income/Expenditure	13,660	6,510
Net Total	171,030	163,880

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £
HRA - Sheltered Units		
Direct Expenditure	360,150	374,820
Direct Income	(182,760)	(198,540)
Indirect Income/Expenditure	35,960	39,730
Net Total	213,350	216,010
HRA - Sheltered Units ECC Grant Funded Pilots		
Direct Expenditure	3,000	3,000
Net Total	3,000	3,000
HRA - Estate Sweeping		
Direct Expenditure	104,500	104,500
Net Total	104,500	104,500
HRA - Communal Cleaning		
Direct Expenditure	85,250	85,250
Direct Income	(37,710)	(37,710)
Net Total	47,540	47,540
HRA - Communal Electricity		
Direct Expenditure	256,940	256,940
Direct Income	(84,510)	(84,510)
Indirect Income/Expenditure	3,350	5,080
Net Total	175,780	177,510
HRA - Estate Lighting		
Direct Expenditure	19,120	19,120
Net Total	19,120	19,120
HRA - Maintenance Of Grounds		
Direct Expenditure	22,620	22,620
Direct Income	(93,050)	(93,050)
Indirect Income/Expenditure	187,190	190,360
Net Total	116,760	119,930
HRA - Tenants Rentals		
Direct Income	(15,622,370)	(16,367,670)
Indirect Income/Expenditure	0	1,200
Net Total	(15,622,370)	(16,366,470)

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £
HRA - Rents & Other Charges		
Direct Expenditure	77,830	149,290
Net Total	77,830	149,290
HRA - Rent Income		
Direct Income	(23,790)	(28,800)
Net Total	(23,790)	(28,800)
HRA - Interest Receivable		
Direct Income	(329,120)	(329,120)
Net Total	(329,120)	(329,120)
HRA - Rent Arrears Provision		
Direct Expenditure	55,440	55,440
Net Total	55,440	55,440
HRA - Interest Charges		
Direct Expenditure	1,153,530	1,062,330
Net Total	1,153,530	1,062,330
HRA - Capital Charges		
Indirect Income/Expenditure	3,044,060	3,695,610
Net Total	3,044,060	3,695,610
HRA - Use of Balances		
Contributions to/(from) reserves	340,410	(1,078,880)
Net Total	340,410	(1,078,880)
Total for Housing	(7,708,850)	(9,073,300)

<u>Analysis by Section/Function</u>	2024/25 Original Estimate £	2025/26 Original Estimate £
HRA - Jaywick Flexible Workspace		
Direct Expenditure	25,100	27,960
Direct Income	(108,090)	(135,290)
Indirect Income/Expenditure	81,440	115,120
Net Total	(1,550)	7,790
Total for Economic Growth	(1,550)	7,790
HRA - Repair & Maintenance		
Direct Expenditure	3,620,470	4,344,980
Direct Income	0	0
Indirect Income/Expenditure	973,070	991,580
Net Total	4,593,540	5,336,560
HRA - Repairs & Maintenance - Surveyors		
Direct Expenditure	820,380	873,020
Indirect Income/Expenditure	(3,080)	26,520
Net Total	817,300	899,540
Total for Development and Building Management	5,410,840	6,236,100
Total for HRA	0	0

Housing Portfolio - HRA

Scale of Charges 2025/26

	Date last revised	(A)	(B)	(C)	(D)	VAT Ind
		2024/25	2024/25	2025/26	2025/26	
	Effective from	Charge Exclusive of VAT £	Charge Inclusive of VAT where applicable @ 20% £	Charge Exclusive of VAT £	Charge Inclusive of VAT where applicable @ 20% £	
<u>GARAGE RENTS AND ACCOMMODATION CHARGES</u>						
Guest room accommodation at sheltered units per night:						
With en-suite facilities (St Marys Court, Groom House, Greenfields, Ironside Walk, Belmans Court)	Apr-18	25.00	30.00	25.00	30.00	V
Without en-suite facilities (Vyntoner House, Kate Daniels House, Mead House, Crooked Elms)	Apr-18	20.83	25.00	20.83	25.00	V
Garage rents HRA (not subject to VAT unless separately let to non-council tenants)	Apr-24	11.06	11.06	11.36	11.36	*
<u>QUESTIONNAIRES</u>						
Second mortgage enquiries (per enquiry)	Apr-18	158.33	190.00	158.33	190.00	V
Solicitors enquiries on resale of council flats	Apr-18	158.33	190.00	158.33	190.00	V
<u>SERVICE CHARGES (per week)</u>						
Sewerage charges (not subject to VAT) (See Note 1):						
Treatment Works:						
Goose Green, Tendring	Apr-18	9.00	9.00	9.00	9.00	Z
Coronation Villas, Beaumont	Apr-18	9.00	9.00	9.00	9.00	Z
Whitehall Lane, Thorpe	Apr-24	6.66	6.66	6.84	6.84	Z
Shop Road, Little Bromley	Apr-16	9.00	9.00	9.00	9.00	Z
Horsley Cross, Mistley	Apr-08	9.00	9.00	9.00	9.00	Z
Bio Systems	Apr-24	9.00	9.00	9.00	9.00	Z
Septic Tanks	Apr-24	3.52	3.52	3.62	3.62	Z
Pumping Stations (not subject to VAT)	Apr-24	6.43	6.43	6.60	6.60	Z
Sewerage charge cap where tenant in receipt of benefit	Apr-08	5.00	5.00	5.00	5.00	Z
Communal central heating charges (not subject to VAT) (see note 1):						
Heating and hot water:						
Single units	Apr-24	8.59	8.59	8.82	8.82	N
Double units	Apr-24	9.90	9.90	10.17	10.17	N
Belmans Court	Apr-24	2.00	2.00	2.05	2.05	N
Other Service Charges (not subject to VAT):						
Sheltered Housing:						
Grounds Maintenance	Apr-24	1.86	1.86	1.91	1.91	X
Communal Electricity	Apr-24	3.24	3.24	3.33	3.33	N
Non Sheltered Housing:						
Grounds Maintenance	Apr-24	1.40	1.40	1.44	1.44	N
Communal Electricity	Apr-18	1.24	1.24	1.27	1.27	N
Communal Cleaning (not subject to VAT) (See Note 1):						
Langham Drive, Clacton	Apr-24	3.35	3.35	3.44	3.44	N
Nayland Drive, Clacton	Apr-24	3.33	3.33	3.42	3.42	N
Boxted Ave (3 Storey), Clacton	Apr-24	3.27	3.27	3.36	3.36	N
Boxted Ave (2 Storey), Clacton	Apr-24	1.86	1.86	1.91	1.91	N
Polstead Way, Clacton	Apr-24	1.86	1.86	1.91	1.91	N
Porter Way, Clacton	Apr-24	1.57	1.57	1.61	1.61	N
Tanner Close, Clacton	Apr-24	1.48	1.48	1.52	1.52	N
Mason Road, Clacton	Apr-24	1.68	1.68	1.73	1.73	N
Maldon Way, Clacton	Apr-24	1.68	1.68	1.73	1.73	N
Groom Park, Clacton	Apr-24	1.73	1.73	1.78	1.78	N
Leas Road, Clacton	Apr-24	1.73	1.73	1.78	1.78	N
Rivers House, Walton	Apr-24	1.48	1.48	1.52	1.52	N
Rochford House, Walton	Apr-24	1.48	1.48	1.52	1.52	N
D'arcy House, Walton	Apr-24	1.48	1.48	1.52	1.52	N
Churchill Court, Dovercourt	Apr-24	1.91	1.91	1.96	1.96	N
Cliff Court, Dovercourt	Apr-24	2.23	2.23	2.29	2.29	N
Nichols Close, Lawford	Apr-24	2.95	2.95	3.03	3.03	N
Grove Avenue Walton	Apr-24	0.93	0.93	0.96	0.96	N

Housing Portfolio - HRA

Scale of Charges 2025/26

SHELTERED UNITS SERVICE CHARGES (Not subject to VAT) (see Note 2):

Housing Related Support Charge	Apr-17	6.34	6.34	6.51	6.51	X
Landlord Costs	Apr-15	13.60	13.60	13.97	13.97	X
Careline Alarm	Apr-17	2.00	2.00	2.00	2.00	X

Notes

- (1) These charges are based on the principle of full cost recovery.
 (2) Only applies to tenants who are not in receipt of Housing Benefit

*	Garage Rent - VAT:					
	Parking:					
	Council Tenant	N	Storage:			N
	Non-Council Tenant	V	Homeless persons goods			N
			Premises suitable for parking			V
			Premises unsuitable for parking			X

APPENDIX D

HRA Capital Programme

	2024/25 Base £	2025/26 Budget £	2026/27 Budget £	2027/28 Budget £	2028/29 Budget £
EXPENDITURE					
Improvements, enhancement & adaptation of the Council's housing stock	3,447,870	4,626,230	4,626,230	4,626,230	4,626,230
Disabled adaptations for Council Tenants	400,000	400,000	400,000	400,000	400,000
Information Technology upgrade and replacement	20,000	20,000	20,000	20,000	20,000
Cash Incentive Scheme	60,000	60,000	60,000	60,000	60,000
	3,927,870	5,106,230	5,106,230	5,106,230	5,106,230
FINANCING					
Major Repairs Reserve	3,314,240	3,555,960	3,555,960	3,555,960	3,555,960
Direct Revenue Financing of Capital	613,630	1,550,270	1,550,270	1,550,270	1,550,270
	3,927,870	5,106,230	5,106,230	5,106,230	5,106,230

HRA RESERVES

APPENDIX E

	Balance 31 March 2024	Contribution from Reserves 2024/25	Contribution to Reserves 2024/25	Est. Balance 31 March 2025	Contribution from Reserves 2025/26	Contribution to Reserves 2025/26	Est. Balance 31 March 2026
	£	£	£	£	£	£	£
HRA Reserves							
HRA General Balance	4,167,839	(860,000)	417,940	3,725,779	(1,043,020)	0	2,682,759
HRA Commitments	2,266,753	(2,266,753)	41,780	41,780	(35,860)	0	5,920
Major Repairs Reserve	4,441,572	(3,314,240)	3,314,240	4,441,572	(3,555,960)	3,555,960	4,441,572
Total Reserves	10,876,164	(6,440,993)	3,773,960	8,209,131	(4,634,840)	3,555,960	7,130,251

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