

Provisional Outturn 2024/25



Report to:	Cabinet
Date:	10 July 2025
Portfolio Holder:	Councillor James Leppard, Portfolio Holder for Finance
Lead Officer:	Jacqueline Van Mellaerts, Assistant Director – Finance and Section 151 Officer
Contributing Officer:	Richard Criddle, Finance Service Manager and Deputy Section 151 Officer
Key Decision:	No
Forward Plan:	N/A
Call In:	This item is not subject to call in procedures because it is within the scope of the budget approved by Full Council in February 2024
Corporate Missions:	All
Wards Affected:	None Specifically

Executive Summary

- A** The Building Harlow's Future plan states that the council will "introduce a clear, data-driven performance framework" and ensure that "all six missions are fully funded".
- B** This report sets out the positive position of the provisional outturn for the financial year ending 31 March 2025. This report includes outturn positions for the General Fund, Housing Revenue Account (HRA) and the Capital Programmes. The report also includes details of carryovers requested and describes the earmarked reserves position at the end of 2024/25 financial year.
- C** The key elements of the provisional outturn are:
- General Fund
- The outturn for the General Fund reflects a favourable position of £0.261 million.

- The General Fund surplus has been transferred to the Neighbourhood Renewal Fund Reserve for identified projects within the Neighbourhood Renewal Fund programme.
- The General Fund working balances is £3.969 million which is still well within the minimum level of reserves of £2.5 million.
- The General Fund earmarked reserves have increased to £27.95 million.
- The General Fund earmarked reserves as of 31 March 2025 are:
 - Mitigation reserves balance - £10.39 million
 - Service reserves balance - £14.54 million
 - Grant reserves balance – £3.02 million

Housing Revenue Account (HRA)

- The outturn reflects a surplus position of £4.136 million against a budgeted surplus of £0.664 million producing a favourable variance of £3.472 million.
- The HRA working balance has increased significantly to £14.917 million as at the 31st March 2025.
- The HRA earmarked reserves have decreased slightly to £9.364 million.

Capital Programmes

- The Non-Housing Capital outturn was £26.789 million
- The Housing Capital outturn was £44.444 million

Recommended that Cabinet:

- A** Endorses the outturn position for 2024/25 of £0.261 million surplus, as set out within the report in respect for General Fund year ending 31 March 2025.
- B** Endorses the outturn position for 2024/25 of £4.136 million surplus as set out within the report in respect for Housing Revenue Account year ending 31 March 2025.
- C** Endorses the Non-Housing Capital Programme (NHCP) outturn for 2024/25 is £26.789 million and the Housing Capital Programme (HCP) outturn for 2024/25 is £44.444 million as set out in the report.
- D** Endorses the Earmarked Reserves summary in Appendix E
- E** Endorses that the £0.261 million from the General Fund surplus was contributed to the Neighbourhood Renewal Fund reserve for identified projects within the Neighbourhood Renewal Fund programme.

F Notes the Period 12 reprofiling into 2025/26 within the Non-Housing and Housing Capital Programmes included within Appendices C and D.

G Notes the carry forward of resources from 2024/25 to 2025/26 as set out in Appendix F.

Reason for decision

A The Building Harlow's Future plan states that the council will "introduce a clear, data-driven performance framework" and ensure that "all six missions are fully funded".

B The Council is obliged under Section 151 of the Local Government Act 1972 to make proper arrangements for the management of its financial affairs.

C The report compares the actual outturn with the current budget as at 31 March 2025, across the General Fund, Housing Revenue Account and Capital Programmes and provides explanations for the variances in the attached appendices.

D To seek approval for the recommendations set out in the report.

Other Options

A The council must report its annual year end position, so there are no other options to consider.

B Cabinet could choose not to approve the Housing Revenue Account carry forward requests, nor reprofile the capital programme, but this would make less monies available for projects within 2025/26.

Background

1. The Budget 2024/25 was set in February 2024. Monthly financial monitoring has been consolidated into one report in respect of the council's General Fund Revenue Account, Housing Revenue Account and Capital Programmes throughout the financial year.
2. The provisional outturn forms part of the preparation of the Council's Statement of Accounts for 2024/25. The outturn is reported prior to the audit of the Council's Accounts by the Council's external auditors – KPMG, which is due to be finalised later on in the year.
3. In line with the Local Government Act 2003, the relevant CIPFA codes of Practice and the Council's associated Treasury Management Policy and Practices, the outturn is presented to Members.

Issues/Proposals

- The General Fund, Housing Revenue Account and Capital programmes outturn summaries are included within this report for the year ending 31 March 2025, individual breakdown of variances from each fund is included within the additional appendices.

General Fund

- The council set the 2024/25 budget in February 2024, aligned to its new corporate plan, with service and non specific expenditure which makes up the General Fund Account totalling of £14.926 million.
- The General Fund revenue forecast for the year ending 31 March 2025 is in a favourable position of £0.261 million. Appendix A provides a breakdown of major key variances and explanation of the position.
- The overall surplus for the General Fund brings its working balances to £3.969 million which is well above the minimum level of reserve of £2.5 million.
- On 12 June 2025, cabinet approved delegated authority to the Leader in consultation with the Section 151 officer, to approve carry forwards of 2024/25 budgets into the financial year 2025/26. Following the review, no General fund revenue carry forwards were approved.

GENERAL FUND			
	2024/25 Current Budget £'000	2024/25 Actual Outturn £'000	2024/25 Variance £'000
Corporate Services & Improvement	1,604	1,369	(235)
Culture & Community	2,322	2,366	44
Environmental	4,952	4,521	(431)
Executive Office	2,284	2,307	23
Facilities & Assets	(3,872)	(4,731)	(859)
Finance	1,218	1,443	225
Housing Operations (People) GF	1,317	2,092	775
HR & Organisational Development	424	429	5
Legal & Democratic Services	777	661	(116)
Planning & Garden Town	627	972	345
Public Protection	1,301	1,580	279
Regeneration	553	592	39
Total Service Specific Expenditure	13,507	13,601	94
Non Service Specific & Funding	1,419	1,551	132
Funding	(14,926)	(15,413)	(487)
General Fund (Surplus)/Deficit	0	(261)	(261)

Housing Revenue Account (HRA)

9. In February 2024, the council approved a HRA budget of £59.9 million with a net surplus of £0.664 million for 2024/25. There were no approved carry forwards in July 2024, thus the current working balance for the HRA as at 31 March 2024 was £11.445 million.
10. The HRA forecast for the year ending 31 March 2025 is in a favourable position of £4.136 million which is a further improvement compared with period 10 which reported a forecasted favourable outturn of £1.474 million. Appendix B provides a breakdown of major key variances and explanation of the position.

HOUSING REVENUE ACCOUNT				
	2024/25 Current Budget £'000	2024/25 Actual Outturn £'000	2024/25 Variance £'000	
EXPENDITURE	General Management	13,656	13,449	(207)
	Special Management	9,479	9,971	492
	Repairs	13,404	13,115	(289)
	Rent Rates Taxes & Other Charges	104	228	124
	Provision for Bad & Doubtful Debts	443	119	(324)
	Supporting People Transitional Relief	1	1	0
	Depreciation & Impairment	13,410	12,140	(1,270)
	Debt Management	7	9	2
	Capital Financing Charges	8,455	7,289	(1,166)
	Transfers To/From Reserves	311	(198)	-509
Total Expenditure		59,270	56,123	(3,147)
INCOME	Dwelling Rents	(51,936)	(51,872)	64
	Garage Rents	(1,074)	(1,090)	(16)
	Other Rents	(80)	(136)	(56)
	Charges for Services & Facilities	(6,437)	(5,977)	460
	Interest Receivable	(407)	(1,184)	(777)
Total Income		(59,934)	(60,259)	(325)
(Surplus) / Deficit for year		(664)	(4,136)	(3,472)
Balance at 1 April (pre-Audit)		10,781	10,781	0
Surplus / (Deficit) for year		664	4,136	3,472
Balance as at 31 March		11,445	14,917	3,472

11. On 12 June 2025, cabinet approved delegated authority to the Leader in consultation with the Section 151 officer, to approve carry forwards of 2024/25 budgets into the financial year 2025/26. The leader reviewed the requested carry overs for the HRA, and number of revenue carry over requests of resources have been approved to include within the 2025/26 budget, which are attached within Appendix F for noting.

12. The overall surplus for the HRA brings its working balances to £14.917 million which is well above the minimum level of reserve of £2 million. Approved carry forwards will reduced the HRA working balances in 2025/26 to £14.095 million.

Capital Programmes

13. The Capital Programme is split up into two different areas. The Non-Housing Capital Programme (NHCP) relates to expenditure financed by the General Fund (GF) revenue account and the Housing Capital Programme (HCP) relates to expenditure financed by the Housing Revenue Account (HRA).

Non Housing Capital Programme (NHCP)

14. A summary of the NHCP is shown in the table below. The Council approved a NHCP budget of £32.782 million in February 2024, and subsequently £14.409 million of carryovers in July 2024. The total NHCP Programme for 2024/25 was £35.263 million following reprofiling and budget allocations approved by cabinet throughout the year. The total outturn for the NHCP Programme for 2024/25 was £26.789 million, showing a final £8.474 favourable variance.
15. On 12 June 2025, cabinet approved delegated authority to the Leader in consultation with the Section 151 officer, to approve carry forwards of 2024/25 budgets into the financial year 2025/26. In capital terms this includes reprofiling.
16. Included within the provisional outturn, £11.147 million of schemes are requested to be reprofiled into the 2025/26 programme. For clarification, this expenditure and therefore financing is still required for the scheme, but the expenditure will be committed in a future year. By reprofiling the budget into a later year, means that no additional future financing for the scheme will be required. A breakdown of the schemes approved by the leader to be reprofiled into 2025/26 are included within Appendix C.
17. Also included within the projected outturn, £2.510 million of new schemes have been identified that required a budget allocation to be assigned to them. The projects are all financing with grant funding and is not an increase to the overall financing of the programme.
18. If reprofiling and new budget allocations are taken into consideration, the year-end position has identified a net adverse variance of £0.163 million.

NON HOUSING CAPITAL PROGRAMME Period 12 2024/25

SCHEMES	Approved Budget 2024/25 £'000s	2023/24 Carry Overs £'000s	Cabinet Amendments £'000s	Current Budget £'000s	Actual Outturn £'000s	Variance: Outturn to current budget £'000s
Garages	197			197	142	(55)
TRANSFORM TOTAL	197	0	0	197	142	(55)
Environment	1,430	1,001	(776)	1,655	1,518	(137)
Culture and Communities	924	408	(723)	609	883	274
RENEW TOTAL	2,354	1,409	(1,499)	2,264	2,401	137
Regeneration - Town Centre	485	408	(90)	803	1,007	204
Council House Build Programme	3,708	468	(4,076)	100	99	(01)
Towns Fund	13,461	2,182	(3,931)	11,712	4,249	(7,463)
Levelling Up Fund	9,352	468	(8,727)	1,093	541	(552)
Acquisitions	0	5,000	8,270	13,270	12,645	(625)
REBUILD TOTAL	27,006	8,526	(8,554)	26,978	18,541	(8,437)
Facilities and Assets - Commercial	627	2,562	(174)	3,015	3,301	286
SECURE TOTAL	627	2,562	(174)	3,015	3,301	286
Public Protection	255	0	(50)	205	56	(149)
PROTECT TOTAL	255	0	(50)	205	56	(149)
Facilities and Assets	1,982	1,894	(1,530)	2,346	2,036	(310)
Legal & Democratic Services				0	15	0
Executive Office				0	120	120
Corporate Services and Improvement	311	18	(120)	209	177	(32)
Contingency	50		(1)	49	0	(49)
DELIVER TOTAL	2,343	1,912	(1,651)	2,604	2,348	(256)
TOTAL NON-HOUSING CAPITAL PROGRAMME	32,782	14,409	(11,928)	35,263	26,789	(8,474)

Housing Capital Programme

19. A summary of the Housing Capital Programme (HCP) is shown in the table below. The Council approved a budget of £60.409 million in February 2024, (including the New Council House Building Programme) and subsequently £9.431 million of carryovers in July 2024. The total HCP Programme for 2024/25 was £52.797 million following reprofiling and budget allocations approved by cabinet throughout the year.
20. On 12 June 2025, cabinet approved delegated authority to the Leader in consultation with the Section 151 officer, to approve carry forwards of 2024/25 budgets into the financial year 2025/26. This was to ensure statement of accounts 2024/25 could be issued by the 30 June 2025. In capital terms this includes reprofiling.
21. As at period 12, £11.954 million of scheme's are requested to be re-profiled into the 2025/26 programme. For clarification, this expenditure and therefore financing is still required for the scheme, but the expenditure will be committed in a future year. By reprofiling the budget into a later year, means that no additional future financing for the scheme will be required. A breakdown of the schemes approved by the leader into 2025/26 are included within Appendix D.

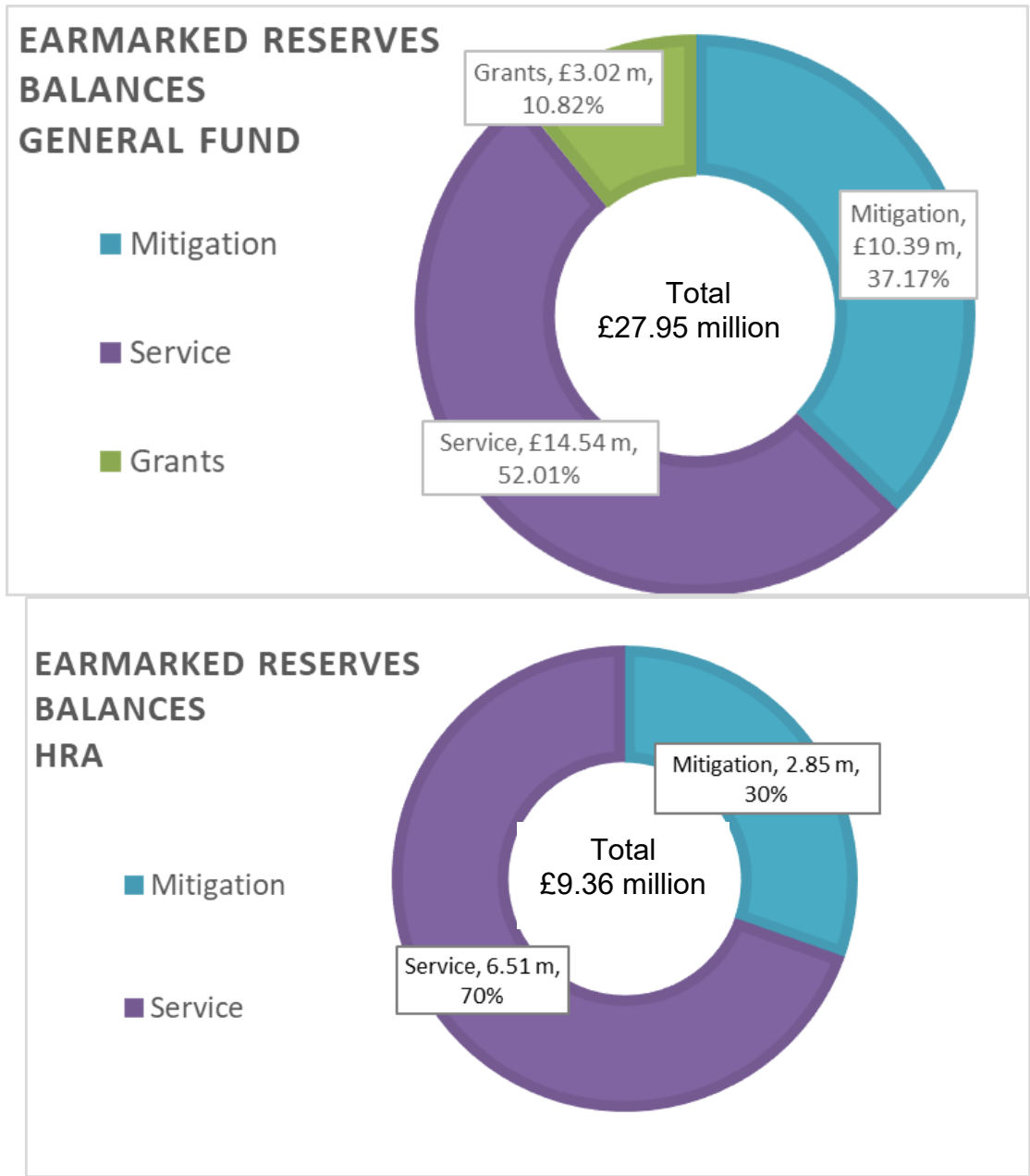
22. Not including the schemes that are requested to be reprofiled or a new budget allocated, the year end position has identified an overall adverse variance of £3.601 million. This is mainly due to additional preliminary work carried out on external works and the roofing programme which has been reported throughout the year.

HOUSING CAPITAL PROGRAMME PERIOD 12 2024/25						
Schemes	Approved Budget 2024/25	2023/24 Carry overs	Cabinet Amendments	Current Budget	Actual Outturn	Variance: Outturn to current budget
	£'000	£'000	£'000	£'000	£'000	£'000
HTS Internal Works - ASC	1,139			1,139	1,257	118
HTS Internal Works - Compliance	1,100	163		1,263	2,807	1,544
HTS Internal Works - Internal	2,600	16		2,616	3,247	631
HTS Internal Works - Garages	215	86		301	161	(140)
HTS Internal Works - Sumners Farm Close	300		179	479	956	477
TOTAL HTS	5,354	265	179	5,798	8,428	2,630
External Works	9,050	1,679	(4,629)	6,100	5,322	(778)
Damp & Structural Works	1,600		164	1,764	1,674	(90)
Other Works	8,700			8,700	8,363	(337)
Fire Safety & Compliance	6,500	1,133	(1,800)	5,833	5,084	(749)
Energy Efficiency Works	800	175		975	691	(284)
Housing IT	255	50	(90)	215	183	(32)
Garage Demolition Programme	500	851		1,351	1,084	(267)
TOTAL CORE HOUSING CAPITAL PROGRAMME	27,405	3,888	(6,355)	24,938	22,401	(2,537)
Acquisitions	0	926	6,500	7,426	754	(6,672)
Council House Building Programme	27,650	4,352	(17,367)	14,635	12,861	(1,774)
TOTAL NON CORE PROGRAMME	27,650	5,278	(10,867)	22,061	13,615	(8,446)
TOTAL ALL HOUSING CAPITAL PROGRAMME	60,409	9,431	(17,043)	52,797	44,444	(8,353)
Reprofiling as at period 12 Required						(11,954)
New Budget Allocations Required						-
Period 12 Variance (Favourable)/Adverse						3,601

Earmarked Reserves

23. The earmarked reserve balances and summary of 2024/25 for general Fund and HRA is included within Appendix E, which shows planned contributions to/from earmarked reserves. The total earmarked reserves are £37.3 million. Split between General fund of £27.9 million and HRA of £9.3 million.
24. The General Fund has a number of Earmarked Reserves set aside for specific purposes, endorsed by the Section 151 Officer. The mitigation reserves are set aside to specifically mitigate financial risks to the Council; Service reserves are set aside to be used on specific investment initiatives or projects; and Grant reserves are set aside to be used for the purpose of the Grant. A graphical representation is provided below to show how the earmarked reserves are categorised.

25. The General Fund has made a surplus in 2024/25 following planned contributions to/from earmarked reserves.
26. It is proposed to transfer this surplus to the neighbourhood renewal earmarked reserve of £0.261 million.



Statement of Accounts 2023/24

27. The Council's Statement of Accounts 2024/25 was issued on the 30 June 2025 and published on the council's website. The public inspection period has been set from 1 July 2025 to 11 August 2025.

Implications

Equalities and Diversity

There are no equality and diversity implications arising from this report.

Climate Change

There are no climate change implications arising from this report.

Finance

Financial information is included throughout the report

Author: Jacqueline Van Mellaerts, Director – Finance and Section 151 Officer

Governance

The Council is obliged under Section 151 of the Local Government Act 1972 to make proper arrangements for the management of its financial affairs.

Author: Daniel Dickinson, Director – Legal and Governance (Interim) and Monitoring Officer

Appendices

Appendix A – General Fund variances 2024/25

Appendix B – HRA variances 2024/25

Appendix C – Non Housing Capital Programme variances 2024/25

Appendix D – Housing Capital Programme variances 2024/25

Appendix E – Earmarked Reserves position

Appendix F – Revenue Carry Over Requests

Background Papers

Medium Term Financial Strategy 2024/25

HRA 30 Year business Plan 2024/25

Capital Programme 2024/25

Glossary of terms/abbreviations used

HRA – Housing Revenue Account

MFTP- Medium Term Financial Plan

HCP – Housing Capital Programme

NHCP – Non Housing Capital Programme