

Blaby District Council

Cabinet Executive

Date of Meeting	12 May 2025
Title of Report	Changes to the 2025/26 Budget This is a Key Decision and is on the Forward Plan.
Lead Member	Cllr. Maggie Wright - Finance, People & Performance (Deputy Leader)
Report Author	Finance Group Manager
Strategic Themes	All Themes: Enabling communities and supporting vulnerable residents; Enhancing and maintaining our natural and built environment; Growing and supporting our economy; Keeping you safe and healthy; Ambitious and well managed Council, valuing our people

1. What is this report about?

- 1.1 The report sets out the changes that have occurred following the approval of the 2025/26 General Fund Budget in February 2025.

2. Recommendation(s) to Cabinet Executive

- 2.1 To approve the addition of £352,236 to the General Fund Revenue Budget resulting in a contribution from General fund balances of £240,597.

3. Reason for Decisions Recommended

- 3.1 To ensure that any significant changes to the budget are brought to Cabinet Executive for Members consideration.
- 3.2 To recognise the impact on the Councils General fund balance.

4. Matters to consider

4.1 Background

The Council's original budget was approved on 25th February 2025. The approved budget before contributions from reserves and government grants was £15,781,762. It was agreed that the budget would be supported by a contribution of £486,470 from earmarked reserves and a contribution of

£111,639 to General Fund Balances, resulting in a net expenditure budget of £15,406,931.

Whilst approval was given for delegated authority to the S151 Officer in consultation with the Portfolio Holder to make minor amendments to the Budget should it be necessary, due to the value the following amendments are considered more appropriate for Cabinet Members consideration.

	£
Approved budget before contributions from reserves and government grants	15,781,762
<u>Additional Funding from/to General Fund Balances</u>	
1. Enderby Road Industrial Estate Rent Review	46,000
2. Annual revenue costs for the AV system in the Council Chamber	15,000
3. Additional Resources and Capacity	255,272
4. Establishment post regrades and increase in hours	35,964
	16,133,998

1. The Council entered into a lease arrangement in 1978, whereby the Council pays a head lease for all the units on the Enderby Road Industrial Estate. The Council then leases the units to tenants. A rent review for the lease has been undertaken back dated to 19th July 2024. Negotiations have now completed and the increase in budget required for 2025/26 is £46,000.
2. A Capital project is in process for the replacement of the AV system in the Council Chamber. Options have been considered and additional revenue budget of £15,000 is required for the annual licence, service and maintenance costs to enable the project to progress.
3. A separate report is being brought for Cabinet Members consideration and is on the agenda for 12th May 2025. If approved, the additional budget required is £255,272. This amount is net of a £200,000 increase in the Planning Fee Income budget following Parliamentary approval of an increase in Planning fees from April 2025. The total cost of the new posts is dependent on the recruitment, therefore the budget required from General Fund balances will be added to the Services Establishment once recruitment of each post has been undertaken. An update to Members will be included within the quarterly budget and expenditure report. Additional savings are anticipated following the recruitment to the new posts, these are expected to have an impact on future years budget and will be reflected within the MTFs once realised.

4. There are 7 posts within the Establishment which are being evaluated, and it is anticipated that these posts will be revised and regraded. The increase required in the establishment budget is an estimate as until the evaluations of the posts have been undertaken and concluded, the exact increase will not be known. The transfer of the additional budget from General fund balances will be undertaken following conclusion of each evaluation. Updates will be brought to Members within the quarterly budget and expenditure report.

The Leicestershire Pension Fund have confirmed a decrease in the Councils Employer contribution rate of 6% from 2026/27. The Council currently pays a rate of 28.3%, this will reduce to 22.3% from 2026/27 through to 2028/29, equating to an estimated annual saving of £692,000. This saving will be reflected in the MTFS going forward.

4.2 Impact on the General fund

The original budget allowed for a contribution to General Fund balances of £111,639. Following the changes detailed in section 4.1 a contribution from General fund balances of £240,597 is required.

4.3 Significant Issues

In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities and there are no areas of concern.

5. Environmental impact

- 5.1 In preparing this report the author has considered the impact on the environment and there are no areas of concern.

No Net Zero and Climate Impact Assessment (NZCIA) is required for this report.

6. What will it cost and are there opportunities for savings?

- 6.1 Financial implications are included in the main body of this report.

7. What are the risks and how can they be reduced?

7.1

Current Risk	Actions to reduce the risks
The risk that the expenditure will exceed the budget.	Monitoring of the budgets is undertaken on a regular basis by Budget Holders in conjunction with Business Accountants, with quarterly reports presented to Cabinet throughout the year.

8. Other options considered

8.1 None

9. Appendix

9.1 None.

10. Background paper(s)

10.1 Resources and Capacity Requests Report

11. Report author's contact details

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