

APPENDIX A

2025/26 Revenue Budget Variations

Service Area	Budget	Variation 17 July 2025 Cabinet	Movement	Total Current Variation
	£	£	£	£
Finance, People & IDT	20,489,920	0	15,453	15,453
Policy & Governance	1,282,818	45,000	124,940	169,940
Adult Social Care	78,009,522	5,569,397	8,534,023	14,103,420
Housing, Commercial & Customer Services	6,524,720	0	0	0
Children's Safeguarding & Family Support	50,176,686	(4,753)	901,697	896,944
Education & Skills	14,252,977	483,367	173,045	656,412
Health & Wellbeing	827,948	0	(17,125)	(17,125)
Neighbourhood & Enforcement Services	32,313,125	972	(13,651)	(12,679)
Prosperity & Investment	(6,033,804)	0	686,979	686,979
Council Wide	(30,204,232)	(1,231,000)	(3,949,283)	(5,180,283)
Total	167,639,680	4,862,983	6,456,078	11,319,061

2025/26 Revenue Budget Variations				
Description		Budget	Total Variation	Comments
		£	£	
Finance, People & IDT				
IDT	Premises	(41,170)	79,786	Annual charges associated with Data Centre / PFI
	Supplies and Services	2,116,095	160,241	One off overspend re VOIP/WAN contract due to new contract arrangements
Finance	Staffing	2,452,710	(109,468)	Temporary vacancies in structure
Revenues	Staffing	1,296,440	(84,674)	Temporary vacancies in structure
Revenues	Supplies & Services	274,860	62,287	Increased cost of collection
Finance, People & IDT	Variations under £50K	14,390,985	(92,719)	
Total Finance, People & IDT		20,489,920	15,453	
Policy & Governance				
Registrars	Income	(931,151)	52,889	Shortfall in fees & charges relating to Birth, Deaths & Marriages and Cemeteries
	Premises	5,030	55,203	Pressure arising from Ground Maintenance charges for cemeteries
Legal Services	Land Charges	(122,322)	88,819	Shortfall of Land Charges income due to reduced demand reflective of current market position.
	Variations under £50k	2,331,261	(26,971)	
Total Policy & Governance		1,282,818	169,940	
Adult Social Care				
All long term care purchasing-Spot & block for all ages and short-term enablement care	Spot & block purchasing	106,446,914	14,445,911	The care purchasing budget is under significant pressure, this position includes short-term enablement care costs. The trajectory of growth seen towards the end of 2024/25 has increased this year, particularly over the last 3 months. The significant upwards revision to the forecast variation since the previous report reflects this increased trajectory being applied to the remainder of the financial year. The monitoring has shown a significant increase in the number of new older people with complex needs needing long-term and short-term enablement residential care since the last monitoring report, combined with some increases in fee rates. The position continues to be monitored closely, as demand for the service has historically been volatile. The pressures have been mitigated by the delivery of £4.3m of savings and cost avoidance in the year to date, and further measures are being implemented across the service to continue to reduce budget pressures with a focus on a home first approach and delivering care which maximises prevention and independence wherever possible.

2025/26 Revenue Budget Variations				
Description		Budget	Total Variation	Comments
		£	£	
Health funding contributions-all ages and care types	Joint Funding	(7,486,218)	1,000,000	The team are continuing to focus on maximising health funding contributions, and there is a dedicated team responsible for progressing and negotiating current and historical funding claims.
Income	Client Contributions	(14,195,690)	(1,432,844)	Based on current expectations of in-year income. The amount projected to be received has increased as the overall projected cost of care has increased (see above).
Learning Disability and Mental Health		2,421,515	281,930	There are several pressures in this area, including the costs of agency staff, premises costs and carer costs.
My Options	Trading Accounts	158,046	515,752	Costs of casual and agency staff.
Service Wide	Staffing & Operational expenditure	6,952,035	(565,414)	Projected underspend is primarily a result of staffing vacancies. Plus income received from appointee/deputyship silent charges has exceeded the budget. Further concentrated work on this area is in progress
	Variations under £50k	(16,287,080)	(141,915)	
Total Adult Social Care		78,009,522	14,103,420	
Housing, Commercial & Customer Services				
Housing Strategy & Regeneration	Income	(424,000)	202,938	Income target shortfall; will be delivered when Housing Schemes become operational; Red Lion development due in November 2025/26. E106
	HPG Grant	-	(461,712)	
Communities	Solar Farm - New	(250,000)	250,000	Saving target for new location.
	Solar Farm current	(597,720)	41,629	Current year pressure has been reduced down to include £55k for the estimated compensation claim.
Customer Services	Housing Subsidy	310,000	(293,152)	(£160k) underspend due to an increased level of recovery of overpayments plus £104k pressure adjustment to reflect impact of bad debt provision relating to the housing benefit overpayments. A net (£236k) underspend from housing benefit expenditure/subsidy variation including B & B spend (£34k) whereby no subsidy can be claimed back and supported accommodation where only 60% subsidy can be claimed.
Place Executive Director	Vacancy factor	(211,000)	161,000	Includes projected future vacancy factor saving between October - March. The underspends will materialise within each service area as and when they arise.
	Savings target	(67,940)	67,940	Historical saving target put forward by AA of £132k part delivered. Remaining pressure held on HCC, although this should be shared equally between NES & HCC.
Operations	Net	2,928,738	148,043	Pressures associated with a number of Leisure site closures to enable refurbishments.

2025/26 Revenue Budget Variations				
Description		Budget	Total Variation	Comments
		£	£	
	Variations under £50k	4,836,641	(116,686)	
Total Housing, Commercial & Customer Services		6,524,720	0	
Children's Safeguarding & Family Support				
Children in Care, Leaving Care Team & Speciality Services, Family Solutions	CIC Placements, Post 18 Staying Put & Leaving Care Support	29,910,512	1,432,750	Net (of health income) reduction of £1.07m in the 2024/25 placements budget (excluding health funding). Children in care have increased over the past 3 months, with 4 high-cost placements driving most of the projected rise. 2025/26 costs, including agreed inflation, are expected to be £0.53m (1.7%) higher than 2024/25, as increased placement numbers and inflation outweigh savings from the work with Impower and ongoing work on prevention, early intervention and review of all placement costs.
	Health funding	(6,437,780)	(279,616)	Income currently projected in line with health income received in 24/25 by way of % of placements costs. Projected to receive £200km more than in 24/25 . Ongoing risk of funding being cut by ICB.
	Children with Disabilities	2,086,020	(260,963)	Small reduction in number of children with disabilities requiring support.
	Unaccompanied Asylum Seeking Children (UASC) - placements	2,099,310	(45,764)	Placement costs relating to UASC
	Unaccompanied Asylum Seeking Children (UASC) - Grant Income	(2,099,310)	45,764	UASC grant fully offsetting cost of placements
	Operational expenditure	1,065,285	104,613	Non placement related expenditure across Children in Care, Leaving Care Team & Speciality Services, Family Solutions
	Income	(883,520)	(249,165)	Difference between budgeted grant income and actual grant received plus use of specific reserve to offset placement costs
Child Protection & Family Support, Parenting Assessment & Contact Teams	Operational expenditure	568,270	67,528	
Family Safeguarding Service Wide	Operational expenditure	2,111,119	(55,541)	
	Staffing expenditure	20,225,695	88,109	Includes vacancy factor saving of £299,000 and historic pressure of out of hours team, offset by savings from vacancies across service.
	Homelessness	110,500	530,070	Majority of overspend relates to accommodation (housing) costs of NRPF and homelessness
	Income	0	(200,000)	Use of one-off reserves
Independent Review	Staffing expenditure	817,230	44,601	Use of one agency staff to cover sickness
	Operational expenditure	122,741	33,962	Overspends in interpreter fees
Variations under £50k		480,614	(359,403)	
Total Children's Safeguarding & Family Support		50,176,686	896,944	
Education & Skills				
Specialist Services		928,174	100,000	There is continued pressure from the Educational Psychology Service due to demand in statutory assessments although the impact of the ITS has meant a stronger structure from September that will reduce use of agency. Further work is planned to increase traded income following recruitment into key posts.

2025/26 Revenue Budget Variations				
Description		Budget	Total Variation	Comments
		£	£	
Employee Costs		1,139,024	268,349	This policy ceased some years ago however, the local authority remains responsible for any historic pension costs and additional costs are due to inflationary pressures.
Insurance		25,806	50,979	The conversion of maintained schools to academies has led to a reduction in insurance contributions from schools.
Arthog		146,713	175,057	Current projections are that the budgeted income at the outdoor education centre and the Skyreach facility are not going to be achieved. An external review of the facilities has been commissioned in order to identify ways to ensure the financial sustainability of the facilities going forward.
Variations Under £50,000		12,013,260	62,027	
Total Education & Skills		14,252,977	656,412	
Health & Wellbeing				
Public Health Grant	Supplies & Services	284,038	16,000	Deficit against Public Health Spend
Public Health	Underspend/(Overspend) to/(from) Reserve		(16,000)	Ring-fenced Public Health grant transferred to/(from) Public Health reserve
Health & Wellbeing	Variations under £50K	543,910	(17,125)	General Fund
Total Health & Wellbeing		827,948	(17,125)	
Neighbourhood & Enforcement Services				
Enforcement	Income - Car Parking	(412,080)	135,575	Shortfall against budgeted income from parking
	Income - Enforcement Control	(44,130)	63,657	Shortfall against budgeted income from FPN (Fixed Penalty Notices)
Highways, Engineering & Project Delivery	Supplies & Services - Street Lighting	2,111,130	64,324	Increased Maintenance Costs to be funded by special fund
	Income - Use of Reserves	0	(64,324)	Use of Special Fund to mitigate overspend
Strategic Transport & Highway Network Management	Supplies & Services - Concessionary Travel	(603,720)	(88,381)	Projected overachievement against budgeted NRSWA (New Roads & Streetworks Act) income
Waste & Neighbourhood Services	Waste Treatment	13,829,430	(99,316)	Reduction in residual & green waste tonnages
	Variations under £50k	17,432,495	(24,215)	Included all variations under £50k for NES here
Total Neighbourhood & Enforcement Services		32,313,125	(12,679)	

2025/26 Revenue Budget Variations				
Description		Budget	Total Variation	Comments
		£	£	
Prosperity & Investment				
R&I	PIP - Income	(11,928,280)	678,884	Income pressure due to phasing of Growth fund capital spend, there is a benefit in relation to lower borrowing costs. This also includes one off benefits from backdated rent agreements which are now finalised.
	Wellington Market	15,240	274,866	Development at Wellington Market resulting in reduced rents charged to tenants.
Development Planning	Income	(3,360,070)	367,000	Planning application fee pressure.
BiT	Income	(3,689,940)	256,000	Fee pressure due to slippage of capital schemes, outturn in 24/25 was £263k. This is offset with one off vacancy management of (£38k).
	Premises Costs	7,482,297	(798,226)	One off underspends due to various developments at Leisure sites and The Place. One off NNDR rebates in addition to underspends on utility costs to be given up as saving in 26/27.
	Variations under £50k	5,446,949	(91,545)	
Total Prosperity & Investment		(6,033,804)	686,979	
Corporate				
Purchase Rebates	Purchase Rebates	(430,000)	(369,174)	Additional WME Rebate
	Employees	548,950	(65,957)	Part year vacancy relating to Executive Director post
Council Wide			(3,875,380)	Various council wide underspends, including additional BRR Section 31 grant lower than budgeted costs relating to the 25/26 pay award.
Council Wide	Contributions from Reserve		(900,000)	
Council Wide	Variations under £50K	(30,323,182)	30,228	
Total Corporate		(30,204,232)	(5,180,283)	
Total		167,639,680	11,319,061	

APPENDIX C

Capital Approvals - by Service Area

Virements						
Scheme	Service Area	Funding Source	25/26 £	26/27 £	27/28 £	28/29 £
Capital investment Fund	Corporate Items	Prudential	(5,665,367)			
Swimming Pool - Dawley Area	Prosperity & Investment	Prudential	5,665,367			
Capital investment Fund	Corporate Items	Prudential	(8,000,000)			
Levelling Up Fund	Prosperity & Investment	Prudential	8,000,000			
Highways & Bridges Capital Maintenance	Neighbourhood & Enforcement Services	Prudential	(40,000)			
Rights of Way	Prosperity & Investment	Prudential	40,000			
HE Liability Sites	Prosperity & Investment	External	(1,100,000)			
HE Liability Sites	Prosperity & Investment	Prudential	(700,000)			
Levelling Up Fund	Prosperity & Investment	External	165,000			
Playing Pitch Investment	Prosperity & Investment	External	500,000			
Property Investment Programme	Prosperity & Investment	External	435,000			
Property Investment Programme	Prosperity & Investment	Prudential	700,000			
Stalled Sites	Prosperity & Investment	Prudential		(500,000)		
St Georges Regeneration	Prosperity & Investment	Prudential		500,000		

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Slippage						
Scheme	Service Area	Funding Source	25/26 £	26/27 £	27/28 £	28/29 £
Capital investment Fund	Corporate Items	Prudential	13,665,367	(6,165,367)	(7,500,000)	
Efficiency Schemes Capitalisation	Corporate Items	Capital Receipts	(363,524)	363,524		
Affordable Housing Programme	Housing Commercial & Customer Services	Prudential	(300,000)	(1,200,000)	1,500,000	
Housing	Housing Commercial & Customer Services	Prudential	(1,368,555)	1,368,555		
Swimming Pool in the Dawley Area	Housing, Commercial & Customer Services	Prudential	(9,331,312)	3,665,945	5,665,367	
Levelling Up Fund	Prosperity & Investment	Grant	(4,800,000)	2,000,000	2,800,000	
Levelling Up Fund	Prosperity & Investment	Prudential	(8,000,000)		8,000,000	
Pride in Your High Street	Prosperity & Investment	Prudential	(60,000)	60,000		
Regeneration Funding	Prosperity & Investment	Grant	(2,000,000)	2,000,000		
Regeneration Funding	Prosperity & Investment	Prudential	(291,825)	291,825		
Stalled Sites	Prosperity & Investment	Prudential	(250,000)	250,000		
HE Liability Sites	Prosperity & Investment	External	600,000	(600,000)		
HE Liability Sites	Prosperity & Investment	Prudential	700,000	(700,000)		
Towns Fund - Wellington	Prosperity & Investment	Prudential	(1,357,769)	1,357,769		
Condition Works - Leisure	Prosperity & Investment	Prudential	(55,298)	55,298		
Housing Company - Housing	Prosperity & Investment	Prudential	1,389,472	(1,389,472)		
Pride in Your High Street	Prosperity & Investment	Prudential		(1,319,618)	1,319,618	
Towns Fund Wellington	Prosperity & Investment	Capital Receipt	(246,000)	246,000		
Towns Fund Wellington	Prosperity & Investment	Prudential	246,000	(246,000)		
Property Investment Portfolio	Prosperity & Investment	Prudential	1,617,848	(11,443,881)	2,825,952	7,000,081
Property Investment Portfolio	Prosperity & Investment	Capital Receipts		(1,151,805)	1,151,805	
Stronger Communities	Prosperity & Investment	Prudential	(19,841)	(1,000,000)	1,019,841	
Safer Routes to Schools	Neighbourhood & Enforcement Services	Prudential	(65,176)	65,176		
Integrated Transport	Neighbourhood & Enforcement Services	Prudential	(208,347)	208,347		
Highways / Footpaths	Neighbourhood & Enforcement Services	Prudential	(1,801,073)	1,801,073		
Integrated Community Schemes	Adult Social Care	Prudential	(40,430)	40,430		
All Other School Schemes	Education & Skills	Grant	(3,851,600)	(13,333,804)	17,185,405	
All Other School Schemes	Education & Skills	Capital Receipts		(1,200,000.00)	1,200,000.00	
ICT Investment Programme	Finance, People and IDT	Capital Receipts	(4,676)	4,676		
Managing the Funding of the Capital Programme	Corporate Items	Capital Receipts	(2,006,801)	4,358,606	(2,351,805)	
Managing the Funding of the Capital Programme	Corporate Items	Prudential	2,006,801	(4,358,606)	2,351,805	
			(16,196,739)	(25,971,330)	35,167,988	7,000,081

New Allocation								
Scheme		Service Area	Funding Source	25/26 £	26/27 £	27/28 £	28/29 £	29/30 £
Family Hubs & Start for Life		Childrens Services	Grant	73,022				
All Other School Schemes		Education & Skills	Grant	191,449				
Housing		Housing Commercial & Customer Services	Grant	(249,366)				
Warm Homes Local Grant		Housing Commercial & Customer Services	Grant	276,067	552,735	541,549		
Active Travel		Neighbourhood & Enforcement Services	Grant	196,736	524,330			
Local Electric Vehicle Infrastructure		Neighbourhood & Enforcement Services	Grant	74,000				
Service & Financial Approved Schemes		Neighbourhood & Enforcement Services	Revenue	1,000				
Integrated Transport		Neighbourhood & Enforcement Services	External	6,243				
Childrens & Adults ICT Systems Review		Adult Social Care	Prudential	(26,934)				
Rights of Way		Prosperity & Investment	External	21,150				
Integrated Transport		Neighbourhood & Enforcement Services	Grant		7,026,000	8,786,000	9,829,000	10,871,000
				563,367	8,103,065	9,327,549	9,829,000	10,871,000

Treasury Management & Prudential Indicators

Overall Treasury Portfolio at 31st August 2025 - £m

	Budget	Latest Estimate
Estimated Total External Borrowing (@ 31.03.2026)	502.9	489.5
Investments (@ 31.03.2026)	15.0	15.0
Net Borrowing	487.9	474.5

Capital Expenditure & Commitments - £m

This indicator shows actual capital expenditure for the previous year and planned capital expenditure for 3 years. The table below reflects approvals throughout the year at Full Council, including those proposed in this report

Capital Expenditure/Funding	2025/26	2026/27	2027/28
Grant Funded	49.78	22.71	31.25
Prudential Borrowing	62.99	69.46	52.05
Capital Receipts	6.88	3.57	1.34
Revenue / External	3.29	1.43	-
	122.94	97.17	84.64

Capital Financing Requirement/ Borrowing - £m

The Capital Financing Requirement is the underlying need to borrow money over the long term. If outstanding borrowing is higher than the CFR this would indicate we are borrowing in advance of need.

Latest Projections				
	31/03/26	31/03/27	31/03/28	
Loans CFR	625.0	692.6	742.8	✓Outstanding Borrowing is lower than the underlying need to borrow
Estimated Outstanding Borrowing	489.5	559.0	611.0	

Authorised Limit and Operational Boundary (Debt)

The Authorised Limit for borrowing is the maximum amount the Council may borrow at any point in the year. The Operational Boundanry is the maximum amount that the Council would normally borrow at any time during the year.

	25/26 31/03/2025	26/27 31/03/26	27/28 31/03/26	
Authorised Limit for borrowing - indicator set	665.0	745.0	785.0	✓Outstanding Borrowing (above) is below both the Authorised Limit and the Operational Boundary
Operational Boundary for external debt - indicator set	645.0	725.0	765.0	

Security

The Council considers security, liquidity and yield, in that order, when making investment decisions.

Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Council's assessment of counterparty credit risk.

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments would be assigned a score based on their perceived risk.

Credit Risk Indicator	Target	Actual - 31/8/25	
Portfolio average credit score	6 or lower (which is equivalent to a credit rating of A or higher)	1.81	✓ The Average credit score for investments is within the target set

Maturity Structure

This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

Maturity Structure	Lower Limit	Upper Limit	Actual - 31/8/25	Within Limit
Up to 1 year	0%	70%	28%	✓
1 year to 2 years	0%	30%	20%	✓
2 years to 5 years	0%	50%	12%	✓
5 years to 10 years	0%	75%	13%	✓
10 years to 20 years	0%	75%	2%	✓
20 years to 30 years	0%	75%	2%	✓
30 years to 40 years	0%	100%	3%	✓
40 years to 50 years	0%	100%	14%	✓
Over 50 years	0%	100%	6%	✓

Principal sums invested for periods longer than one year

		31/03/26	31/03/27	31/03/28	
Indicator Set	Limit on principal invested longer than 364 days	95%	95%	95%	✓currently 0% invested beyond 1 year

Ratio Affordability Measure

Ratio of finance cost to net revenue stream (%)	25/26	26/27	27/28	
Indicator Set	7.85%	9.74%	9.46%	Financing cost to net revenue stream is very slightly higher than budgeted in 25/26 as interest rates have not reduced in line with budget assumptions and slippage has impacted all years
Current	7.96%	9.18%	9.56%	