

## Report of the Portfolio Holder for Resources and Personnel Policy

**Statement of Accounts Update and Outturn Position 2025/26**1. Purpose of Report

To report on the revenue and capital outturn position for 2025/26, to provide an update on progress with the preparation of the draft annual Statement of Accounts for 2025/26 and to approve the revenue and capital carry forward requests to the 2026/27 financial year. This is in accordance with all of the Council's objectives and key priorities.

2. Recommendation

Cabinet is asked to RESOLVE that:

1. **The accounts summary for the financial year ended 31 March 2026, subject to audit, be approved.**
2. **The revenue budget carry forward requests outlined in the report be approved and included as supplementary revenue estimates in the 2026/27 budget.**
3. **The capital budget carry forward requests outlined in the report be approved and included as supplementary capital estimates in the 2026/27 budget.**

3. Detail

The Council's draft Statement of Accounts for 2025/26 have been finalised, subject to audit. The accounts show a budget underspending on the General Fund of £2.506m and a budget overspend on the Housing Revenue Account (HRA) of £276k when compared to the revised estimates. A summary of the General Fund revenue accounts is provided in **Appendix 1**, with a summary of the HRA accounts provided in **Appendix 2** and a summary on the capital position at **Appendix 3**.

In accordance with the latest Accounts and Audit Regulations, the draft Statement of Accounts for 2025/26 will be approved by the Interim Deputy Chief Executive and Section 151 Officer and published on the Council's [website](#) in advance of the 30 June statutory deadline. The accounts will then be subject to inspection by Forvis Mazars, the Council's external auditors.

Dependent upon the availability of the external auditors and the successful resolution of any issues identified, it is envisaged that the final audited Statement of Accounts 2025/26 should be presented for approval to the Governance, Audit and Standards Committee on 23 November 2026.

#### 4. Key Decision

This report is a key decision as defined under Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 resulting in the Council incurring revenue or capital expenditure or savings of £250,000 or more and be significant in terms of its effects on communities living or working in an area comprising two or more Wards or electoral divisions in the Council's area

#### 5. Updates from Scrutiny

Not applicable.

#### 6. Financial Implications

The comments from the Interim Deputy Chief Executive and Section 151 Officer were as follows:

Further details are included in the above narrative and appendices.

The underspend on the General Fund when compared to the revised estimates, after financing and transfers to and from earmarked reserves, has resulted in a net contribution to General Fund balances of £183k. The General Fund Reserve balance as at 31 March 2025 is £5.740m.

The overspend on the HRA when compared to the revised estimates has increased the anticipated deficit on the HRA Working Balance which amounted to £946k as at 31 March 2026. With the budget deficit being higher than anticipated, the HRA Working Balance has now dipped below the Section 151 Officer's minimum recommended level of £1 million.

This outturn position has resulted from an accumulation of rising costs over several years and lower than anticipated rent incomes being received in 2025/26. Whilst there is no specific statutory minimum working balance, and a dip below the minimum recommended balance can be tolerated in the short-term, sustained efforts are required to bring the working balance back up above the minimum level. An HRA Medium-Term Financial Strategy and Business Strategy is being developed for this purposes which will complement the long-term HRA 30 Year Business Plan. Further narrative is provided in Appendix 2.

#### 7. Legal Implications

The comments from the Head of Legal Services and Deputy Monitoring Officer were as follows:

There are no direct legal implications that arise from this report.

#### 8. Human Resources Implications

There were no comments from the Human Resources Manager.

9. Union Comments

Not applicable.

10. Climate Change Implications

Any climate change implications are contained within the report.

11. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

12. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

13. Background Papers

Nil.