

<b>Report Title:</b>	Financial Monitoring Report Quarter 3 2025/26		
<b>Report to:</b>	Cabinet	<b>Date:</b>	18 <sup>th</sup> March 2026
<b>Report of:</b>	Head of Financial Services	<b>Cabinet Portfolio</b>	Resources
<b>Cabinet Lead Member</b>	Councilor Walmsley	<b>Wards Affected</b>	All
<b>Key Decision:</b>	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
<b>Integrated Impact Assessment:</b>	Required: No	Attached: No	
<b>Contact Officer:</b>	Kimberly Haworth	<b>Telephone:</b>	01706 252409
<b>Email:</b>	<a href="mailto:kimberlyhaworth@rossendalebc.gov.uk">kimberlyhaworth@rossendalebc.gov.uk</a>		

<b>Valley Plan Priorities</b>	<b>Thriving Local Economy:</b> This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	<input type="checkbox"/>
	<b>High Quality Environment:</b> This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	<input type="checkbox"/>
	<b>Healthy &amp; Proud Communities:</b> This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	<input type="checkbox"/>
	<b>Effective &amp; Efficient Council:</b> The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	<input checked="" type="checkbox"/>

## 1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

- 1.1 This report provides an indicative estimate of the Council's General Fund Revenue outturn, Collection Fund performance and Capital outturn for the year ended 31 March 2026.
- 1.2 At 31 December 2025, the Council is estimating a favourable variance of £575.6k against an approved net budget for the year of £11,535k. Combined with additional funding of £93k this results in a forecast contribution to reserves of £118.2k.
- 1.3 The approved Capital Programme for 2025/26 was agreed in the sum of £24,272k, to this was added prior year slippage of £8,510k. An additional £3,105k has been approved in the current year making a revised capital programme for 2025/26 of £35,887k. At this stage of the year the estimated capital outturn for the year is £13,618k.

## 2. RECOMMENDATION

- 2.1 That Cabinet note the content of the Q3 financial monitoring report.

### 3. BACKGROUND AND REASON FOR THE DECISION

3.1 In February 2025 the MTFs set a balanced Budget of £11,535k for the year based on the assumptions made at that time and supported by £574k from reserves. The pay award, inflation rates, vehicle fuel costs and high utility costs resulted in the requirement to use reserves to fund the budget gap.

#### Revenue

3.2 The December monitoring report for 2025/26 is forecasting a favourable variance of £575.6k when compared to an original budget of £11,535k.

3.3 The most notable variances are:

- Income relating to Bank Interest is greater than anticipated and is expected to have a favourable variance of £475k against the budgeted income of £225k.
- Interest on borrowing is expected to be less than budgeted. This is due to the timing of Capital projects beginning later than planned. This is estimated to give savings of £250k on borrowing interest. It should be noted that once agreed Capital projects start then borrowing is likely to be required in future years.
- Temporary Accommodation is forecast to be within budget. The Housing Options team has worked proactively to reduce the Council's spend on bed and breakfast accommodation. Through timely homelessness decisions, thorough needs assessments, effective support in temporary accommodation, and efficient use of the Council's own temporary accommodation stock, the average length of stay in bed and breakfast accommodation has decreased, resulting in a cost saving for the Council.
- Staff cost savings are estimated to be £446k to the year-end position, this is £321k greater than the vacancy savings target of £125k.
- The Planning fee income is showing an overachievement of £253k; during the year there has been major planning application fees received which were not anticipated.
- Operational Functions (including Parks) are forecast to overspend by £179.3k, mainly due to Vehicle Maintenance and Professional Fees. The Vehicle Maintenance overspend reflects the ongoing costs of maintaining an ageing Refuse and Street Sweeping fleet, alongside price increases during the year. The Professional Fees overspend relates to unbudgeted costs incurred to address health and safety requirements across the service.
- Fuel 'pump prices' continue to be monitored, Budgets for Fuel in 2025/26 remained at substantial levels totalling £345k which includes any premium for the use of HVO. The Council policy is to purchase HVO when the price differential is less than 5% compared to white diesel. As the two fuel types can be mixed, the decision regarding which fuel to use can be made on an order-by-order basis.
- The estimated contribution by the council for a possible pension deficit is not required which will give additional savings of £157k.
- The benefits granted outturn shows an adverse variance of £77k. This is due a shortfall between the housing benefits paid and the subsidy received.

3.4 Full details and explanations are included in appendix 1.

### **CAPITAL**

3.5 The Capital Receipts brought forward at 1st April 2025 totalled £2,141k.

3.6 The approved Capital Programme for 2025/26 was agreed in the sum of £24,272k, to this was added prior year slippage of £8,510k. An additional £3,105k has been approved in the current year making a revised capital programme for 2025/26 of £35,887k. At this stage of the year the estimated capital outturn for the year is £13,618k.

3.7 On current assumptions, the Capital Receipts Reserve is expected to total £2,781k at the year-end 2025/26, reflecting the most cost-effective method of financing the Council's future Capital Programme.

### **TREASURY**

3.8 At the end of December, the bank balances were £25.2m. These resources continue to be relatively high due to various grant funding, i.e. UKSPF fund, CRP etc. Although interest rates have recently fallen, the Bank Rate has remained high over the past two years. Because of this, and with temporary cash balances available for investment, the Council continues to take a proactive approach to managing its cash in 2025/26. This aims to increase income beyond budget expectations and help offset rising costs caused by ongoing inflationary pressures. Interest income is currently expected to exceed the budget for the year.

3.9 Details are included in Appendix 1.

### **COLLECTION FUND**

3.10 Council Tax collection levels are recovering. However, they are still not back to pre-pandemic levels. Business rate collection appears to have struggled to return to typical levels experienced pre-Covid, however there were two major appeals in 2022/23 which have distorted the comparative figures.

The Council Tax account is predicting a surplus of £175k for Rossendale.

3.11 For Business Rates however, the situation is harder to gauge as collection rates were distorted in 2022/23 by the Covid relief the Government distributed. 2023/24 was also distorted by the transitional reliefs given to businesses due to the Business Rates revaluation, which kicked in from April 2023. As at end of year the collection rates in 2024/25 were in line with previous years which is positive and the start of 2025/26 initially was significantly below previous years however this is recovering monthly and is much more in line as at December 2025.

3.12 The NNDR collection fund is predicting a deficit of £237k with the Council's share being £95k.

3.13 Current estimates are that the Council will benefit from a pooling gain of £1,178k in 2025/26 through being a member of the Lancashire Business Rates Pool.

3.14 Details are included in Appendix 1.

### **EARMARKED RESERVES**

3.15 The total cash-backed earmarked reserves brought forward at 1st April 2025 were £12,743k. The Earmarked Reserves closing balance at the 31 March 2026 are estimated to be £12,491k.

## **4. RISK**

All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- 4.1 The cost of goods and services continue to increase. General inflationary increases are being experienced across all contracts that are linked directly to RPI and CPI. High inflation and interest rates are also impacting on the capital programme. On average vehicle replacement costs are running c20% over and above the estimates included in the capital programme. Rising inflation is also having an impact on the construction industry - pushing up costs, increasing tender prices.
- 4.2 Financial monitoring of General Fund service departments focuses on the key risk areas of employee costs, income, implementation of agreed budget savings, emerging issues (eg inflationary pressures and rising living costs) and opportunities, in particular service department net expenditure.
- 4.3 Budget setting for future years is now treated as an integral part of financial monitoring during the current year and the impact of variances being reported will be considered by officers when preparing the detailed 2026/27 budgets.
- 4.4 The council must explore ways of bridging its forecast annual funding gap. Amongst other things this may include becoming more commercially aware, aiming to grow its resources alongside the challenges to its cost base.
- 4.5 If the level of Council Tax support claims increase as a result of the current economic climate or the level of Council Tax bad debt increases, this will have an adverse impact on the income the Council receives.
- 4.6 The level of future Government funding is currently awaiting the outcome of the Fair Funding Review.

## **5. SECTION 151 OFFICER COMMENTS (FINANCE)**

5.1 Robust monitoring of the General Fund and MTFs is essential to control risks expressed in section 5 above and the Council continues to undertake this.

## **6. MONITORING OFFICER COMMENTS (LEGAL)**

6.1 Unless specifically commented upon within the report, there are no specific implications for consideration.

## **7. INTERGRATED IMPACT ASSESSMENT IMPLICATIONS**

7.1 The financial implications are fully set out above and in Appendix 1.

## **8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS**

8.1 There are no specific implications for consideration. Staffing issues have been discussed with colleagues in the People & Policy team.

## **9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS**

9.1 None.

## **10. BACKGROUND PAPERS**

10.1 Financial Monitoring Report Quarter 3 2025/26: Appendix 1



## **Appendix 1**

# **Financial Monitoring Report**

**2025/26 as at end of December 2025**

*Including a Glossary of terms on page 39*



### General Fund Revenue Operations – pages 4 to 22

Despite the current economic climate continuing to have a significant impact on the Council in Q3, the financial performance has been favourable compared to budget. The provisional out-turn position is a favourable variance of £575.6k on the General Fund when compared to the original budget of £11,535.4k. Combined with additional unbudgeted income of £93k, this forecast will result in a contribution to reserves in the year of £118.2k. The significant budget variations are highlighted on pages 4 and 5.

### Earmarked Revenue Reserves – page 23

The total cash-backed Earmarked Reserves brought forward at 1st April 2025 were £12,743k. The opening balance on the Transitional Reserve was £5,910k. The indicative closing balance of earmarked reserves at the 31<sup>st</sup> March 2026, is estimated at £12,491k. Based on current plans and forecast commitments, and if nothing else changes, at the time of this report, available earmarked reserves are anticipated to be sufficient to support the budget for the current MTFs. The earmarked reserves figure includes ringfenced sums of £1,759.8k, this means that the funding was received for specific projects and may be subject to clawback.

### Government Grants Unapplied – page 24

The opening value of Government Grants Unapplied at the 1<sup>st</sup> April 2025 was £6,343k of which £2,083k related to Disabled Facilities Grants. The balance carried forward into 2025/26 relates to previous years' slippage. The allocation of Better Care funding for DFGs for 2025/26 is £1,439k, giving total DFG resources available of £3,522k. Of this, £2,600k is estimated to be utilised in the year resulting in a carried forward balance of £922k. There are also balances brought forward of £3,069k relating to the Capital Regeneration Programme, £493k relating to the Local Authority Housing Fund, £528k relating to the DEFRA Waste Capital Fund and £170k relating to Long Term Plans for Towns. All of these grants are expected to be used in 2025/26.

### Staff Monitoring – page 25

The table on page 25 shows the forecast staffing variances for the year based on Q3 actuals. The projected underspend for the year is £406k. Additional leave contributes a further £40k. An annual savings target of £125k has been included in the current year. Based on the year-to-date, savings of £321k we are currently exceeding the target.

### Treasury & Cash Management - page 26 to 31

At the end of December, the bank balances were £25.2m. These resources continue to be relatively high due to various grant funding, i.e. UKSPF fund, CRP etc. Although interest rates have recently fallen, the Bank Rate has remained high over the past two years. Because of this, and with temporary cash balances available for investment, the Council continues to take a proactive approach to managing its cash in 2025/26. This aims to increase income beyond budget expectations and help offset rising costs caused by ongoing inflationary pressures. Interest income is currently expected to exceed the budget for the year.

The provision for doubtful debt at the 1st of April 2025 was £641.8k, plus a further £5.4k set aside for licensing debt. The Council has a provision of c. 83% for debts it considers to be at risk of remaining unpaid (impairment) and c. 50% for the total debt issued and considered overdue. Given the current collection performance at Q3, the current level of provision is considered adequate but will continue to be reviewed throughout the remainder of 2025/26.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	2
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

### Capital Receipts – page 31

The total Capital Receipts rolled forward into financial year 2025/26 is £2,141k.

The total value of Capital Grants receivable in the financial year 2025/26 is £11,332k (including DFG Funding). As all figures are indicative at this point in the reporting cycle, work continues to determine the most effective method of funding the Council's Capital Programme.

On current assumptions, the Capital Receipts Reserve is expected to total £2,781k at the year-end 2025/26, reflecting the most cost-effective method of financing the Council's future Capital Programme.

### Capital Programme and Funding – pages 31 to 34

The original Capital Programme for 2025/26 is £24,272k. This includes £14,078k in relation to the Capital Regeneration Projects, £1,200k for the upgrade of 3G football pitches and £1,000k for DFGs. The slippage from 2024/25 was £8,510k, including £3,902k of the Capital Regeneration Projects and £1,792k of DFGs.

The indicative capital outturn at 31st March 2026 is spend in the sum of £13,618k. The reduced outturn is mostly due to delays to the Waste Transfer Station and Capital Regeneration Programme, which has benefited from a deadline extension into the following year. The Capital Outturn will be reviewed throughout the remainder of the year.

### Collection Fund 2025/26 (Council Tax & NNDR) - pages 36 to 38

Council Tax collection levels are recovering. However, they are still not back to pre-pandemic levels. Business rate collection appears to have struggled to return to typical levels experienced pre-Covid, however there were two major appeals in 2022/23 which have distorted the comparative figures.

The Council Tax account is predicting a surplus of £175k for Rossendale.

The business rates collection fund is predicting a deficit of £237k in 2025/26, the Council's share of the deficit is £95k. The Council has a Business Rate Retention Reserve to provide for any peaks and troughs in business rate income, therefore this deficit will be charged to the reserve.

Although it is anticipated the Council will suffer a collection fund loss, a pooling gain of £1,178k is estimated. The February 2025 MTFS included a pooling gain contribution of £500k, therefore if the current forecast remains at year end, it will result in a £678k deficit against that income budget, thus contributing towards pressure on the MTFS.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	3
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

## General Fund Summary - Quarter 3 2025/26

Service Area	2025/26 Orig Budget £000	Virements Budget £000	2025/26 App Budget £000	2025/26 Q3 Outturn £000	2025/26 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 3 (Adv)/Fav £000
<b>Communities Directorate</b>							
Customer Services and E-Government	1,864.8	-	1,864.8	2,063.2	(198.3)	(73.0)	(125.3)
Operational Functions	2,706.8	-	2,706.8	2,736.4	(29.7)	(146.8)	117.1
Parks and Cemeteries	1,006.6	-	1,006.6	1,156.2	(149.6)	(122.0)	(27.7)
Public Protection Unit	235.0	30.4	265.3	238.2	27.1	24.8	2.4
Environmental Health	242.4	-	242.4	220.4	22.0	23.5	(1.5)
Licensing & Enforcement	67.1	(30.4)	36.8	12.7	24.1	21.5	2.6
Communities Team	177.8	5.0	182.8	150.5	32.2	38.3	(6.0)
<b>Economic Development Directorate</b>							
Planning Services	454.7	-	454.7	273.2	181.5	208.9	(27.4)
Building Control Services	13.5	-	13.5	0.8	12.7	14.8	(2.1)
Regeneration	263.5	(5.0)	258.5	344.8	(86.3)	(53.4)	(32.9)
Property Services	220.7	-	220.7	276.2	(55.5)	9.2	(64.7)
Housing	299.5	0.0	299.5	307.5	(8.0)	(67.1)	59.1
<b>Corporate Management Directorate</b>							
Corporate Management	491.9	-	491.9	500.2	(8.2)	(23.3)	15.0
Legal Services	202.2	-	202.2	189.5	12.6	16.0	(3.4)
Local Land Charges	20.5	-	20.5	(1.4)	21.9	21.7	0.2
Democratic Services	611.3	-	611.3	561.0	50.3	49.3	1.0
Financial Services	588.9	-	588.9	597.5	(8.6)	75.1	(83.7)
People and Policy	945.7	(0.0)	945.6	848.3	97.3	97.3	0.1
Non Distributed Costs	235.3	-	235.3	270.4	(35.1)	79.2	(114.3)
Capital Financing and Interest	818.7	-	818.7	162.5	656.2	306.2	350.0
Leisure Services	(31.9)	-	(31.9)	9.3	(41.2)	(40.9)	(0.2)
Empty Homes Scheme	100.6	-	100.6	42.5	58.0	60.0	(2.0)
<b>TOTAL Service Cost</b>	<b>11,535.4</b>	<b>(0.0)</b>	<b>11,535.4</b>	<b>10,959.9</b>	<b>575.6</b>	<b>519.2</b>	<b>56.4</b>
<b>Funded by</b>							
Council Tax	(6,719.0)	-	(6,719.0)	(6,719.0)	-	-	-
Retained Business Rates	(2,436.0)	-	(2,436.0)	(2,436.0)	-	-	-
Funding Guarantee	-	-	-	-	-	-	-
Revenue Support Grant	(93.0)	-	(93.0)	(111.0)	18.0	-	18.0
Services Grant	-	-	-	-	-	-	-
New Homes Bonus	(141.0)	-	(141.0)	(141.0)	-	-	-
Collection Fund Surplus - Council Tax	(126.0)	-	(126.0)	(126.0)	-	-	-
Estimated NNDR Pooling/growth Gain	(500.0)	-	(500.0)	(500.0)	-	-	-
Extended Producer Responsibilities	(649.0)	-	(649.0)	(649.0)	-	-	-
Recovery Grant	(297.0)	-	(297.0)	(297.0)	-	-	-
Employers NI Contribution Scheme	-	-	-	(75.0)	75.0	-	75.0
<b>LESS Estimated use of Reserves</b>	<b>(574.4)</b>	<b>-</b>	<b>(574.4)</b>	<b>118.2</b>	<b>(692.7)</b>	<b>-</b>	<b>(692.7)</b>
<b>Net Budget Shortfall</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>0.0</b>	<b>24.1</b>	<b>-24.1</b>	<b>0.0</b>	<b>(543.3)</b>

The position at Q3 2025/26 shows a favourable variance of £575.6k.

The main variances are shown below: -

- Income relating to Bank Interest is greater than anticipated and is expected to have a favourable variance of £475k against the budgeted income of £225k.
- Interest on borrowing is expected to be less than budgeted. This is due to the timing of Capital projects beginning later than planned. This is estimated to give savings of £250k on borrowing interest. It should be noted that once agreed Capital projects start then borrowing is likely to be required in future years.
- Temporary Accommodation is forecast to be within budget. The Housing Options team has worked proactively to reduce the Council's spend on bed and breakfast accommodation. Through timely homelessness decisions, thorough needs assessments, effective support in temporary accommodation, and efficient use of the Council's own temporary accommodation stock, the average length of stay in bed and breakfast accommodation has decreased, resulting in a cost saving for the Council.
- Staff cost savings are estimated to be £446k to the year-end position, this is £321k greater than the vacancy savings target of £125k.
- The Planning fee income is showing an overachievement of £253k; during the year there has been major planning application fees received which were not anticipated.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	4
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

- Operational Functions (including Parks) are forecast to overspend by £179.3k, mainly due to Vehicle Maintenance and Professional Fees. The Vehicle Maintenance overspend reflects the ongoing costs of maintaining an ageing Refuse and Street Sweeping fleet, alongside price increases during the year. The Professional Fees overspend relates to unbudgeted costs incurred to address health and safety requirements across the service.
- Fuel 'pump prices' continue to be monitored, Budgets for Fuel in 2025/26 remained at substantial levels totalling £345k which includes any premium for the use of HVO. The Council policy is to purchase HVO when the price differential is less than 5% compared to white diesel. As the two fuel types can be mixed, the decision regarding which fuel to use can be made on an order-by-order basis.
- The estimated contribution by the council for a possible pension deficit is not required which will give additional savings of £157k.
- The benefits granted outturn shows an adverse variance of £77k. This is due a shortfall between the housing benefits paid and the subsidy received.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	5
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Additional Narrative to General Fund Summary variances 2025/26	Q1 Fav/(Adv)	Q2 Fav/(Adv)	Q3 Fav/(Adv)	Q4 Fav/(Adv)	Total Fav/(Adv)	
<b>Communitites Directorate</b>						
<b>Customer Services and e-Government</b>						
Staff costs	7.6	(0.3)	-		7.3	
Benefits Admin Subsidy shortfall	(65.9)	16.9	(157.8)		(206.8)	
Central IT Costs	(9.1)	(20.0)	45.4		16.3	
Other minor variances	2.5	(4.6)	(13.0)		(15.1)	(198.3)
<b>Operational Functions Including Parks</b>						
Staff Costs (including agency and overtime)	(12.1)	61.0	14.2		63.1	
Computer Software and Equipment	-	(43.0)	30.0		(13.0)	
Professional Fees	-	(32.4)	73.0		40.6	
Fuel, Vehicle Maint and Hire	(124.5)	(3.2)	(14.8)		(142.5)	
Trade, Bulks and Residual Waste Net Income	10.0	27.5	-		37.5	
Garden Waste Net Income	(14.0)	6.7	2.3		(5.0)	
Public Open Spaces, Playfields and Playgrounds	(93.7)	6.6	(14.1)		(101.2)	
Cemeteries Net Income	(14.1)	(48.7)	(1.8)		(64.6)	
Other Minor Variances	8.1	(3.0)	0.6		5.8	(179.3)
<b>Communities Team</b>						
Staff Costs	37.8	(4.4)	2.3		35.7	
Other minor variances	(1.4)	6.3	(8.3)		(3.5)	32.2
<b>Env'tal Health, PPU, Licensing and Enforcement</b>						
Staff costs	54.0	10.2	(0.7)		63.5	
Income Shortfall	0.3	-	3.9		4.2	
Other minor variances	3.8	1.5	0.3		5.6	73.2
<b>Economic Development</b>						
Staff costs (net of grant & fee income)	43.9	93.4	15.1		152.4	
Economic Development	(1.6)	0.2	(56.8)		(58.2)	
Museum	(0.7)	(2.6)	-		(3.3)	
Tourism	(0.3)	(40.3)	(0.5)		(41.1)	
Market Income	(15.6)	(23.3)	(22.8)		(61.7)	
Climate Change	-	(43.7)	-		(43.7)	
Housing	(26.1)	(82.6)	88.7		(20.0)	
Planning Degree Tuition Fees	-	(13.0)	-		(13.0)	
Planning Consultancy Professional fees	(2.4)	(32.8)	(23.3)		(58.5)	
Planning Application Fee Income	23.7	228.6	1.1		253.4	
Planning Pre-apps	(1.2)	1.6	5.7		6.1	
Reimbursement relating to a planning appeal	-	-	(12.7)		(12.7)	
Building Control Fee Income	4.8	5.5	(3.8)		6.6	
Planning /Building Control misc under/over	(3.1)	2.5	(5.4)		(6.0)	
Property Running costs	(19.1)	12.3	(28.9)		(35.7)	
Business Rates	(12.0)	(7.9)	-		(19.9)	
Spinning Point bus station	1.3	(8.6)	(11.0)		(18.3)	
Estates Income	14.5	81.0	(7.8)		87.7	
Valuation Fees & Professional Fees	(13.3)	(0.4)	5.3		(8.4)	
Boilers / Alarms / lifts / emergency Lighting	(12.2)	3.4	(4.7)		(13.5)	
Business Centre rentals	(27.2)	8.1	(1.0)		(20.1)	
Tree Felling / knotweed treatment	(22.0)	-	(1.0)		(23.0)	
Other minor variances	(6.0)	5.2	(4.2)		(5.0)	44.5
<b>Corporate Management</b>						
Staff costs	115.6	49.2	4.6		169.4	
Legal income	1.1	(0.6)	(3.3)		(2.8)	
Legal Professional fees and ref books	5.4	-	-		5.4	
Election, Democratic Services and Member costs	19.4	(0.9)	1.4		19.9	
Land Charges income	(5.2)	2.2	0.2		(2.8)	
Land Charges Grant Income	20.0	4.0	-		24.0	
Internal and External Audit - Finance	8.5	43.0	(62.2)		(10.7)	
Leisure Review	-	(39.3)	-		(39.3)	
Bank & Cash Collection Charges	10.0	(5.0)	(16.3)		(11.3)	
Training	1.5	-	-		1.5	
Empty Homes	59.2	0.8	(2.0)		58.0	
Conferences & Travel	-	(13.3)	5.1		(8.2)	
Annual Licences	-	(18.0)	-		(18.0)	
Other minor variances	10.1	(12.6)	(0.5)		(2.9)	182.2
<b>Non-Distributed Costs &amp; Capital Financing</b>						
Original staff savings target (actuals now above)	(96.9)	35.0	(23.3)		(85.2)	
Net Interest	152.7	222.3	350.0		725.0	
Employee & Pension Costs	85.0	125.2	(20.8)		189.4	
Increase in MRP Contribution	(68.8)	-	-		(68.8)	
Other Corporate	-	(69.1)	(70.2)		(139.3)	621.1
<b>Favourable/(adverse) variance</b>	<b>32.6</b>	<b>486.6</b>	<b>56.4</b>	<b>-</b>	<b>575.6</b>	<b>575.6</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	6
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

## Communities Directorate - Customer Services & IT

Period 9 (Dec)

Customer Services & ICT	2025/26 Orig Budget £000	Virements Budget £000	2025/26 App Budget £000	2025/26 Q3 Outturn £000	2025/26 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 3 (Adv)/Fav £000
<b>Customer Services</b>							
Benefits Administration	(114.2)	-	(114.2)	(125.0)	10.9	11.3	(0.4)
Benefits Granted	(122.3)	-	(122.3)	(35.9)	(86.4)	(79.5)	(6.9)
Local Tax Collection	(250.8)	-	(250.8)	(140.7)	(110.1)	9.3	(119.4)
Revenues & Benefits Partnership	1,200.0	-	1,200.0	1,221.2	(21.2)	10.0	(31.2)
<b>Strategic Functions</b>							
Management and Support	86.8	-	86.8	85.0	1.8	1.8	-
Service Assurance Team	122.6	-	122.6	147.8	(25.1)	(15.0)	(10.1)
Central Telephones	5.0	-	5.0	5.5	(0.5)	(0.5)	-
<b>ICT Support</b>	937.6	-	937.6	905.4	32.2	(10.3)	42.6
<b>Total</b>	<b>1,864.8</b>	<b>-</b>	<b>1,864.8</b>	<b>2,063.2</b>	<b>(198.3)</b>	<b>(73.0)</b>	<b>(125.3)</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr Forecast £000
<b>Benefits Admin</b>			
Court fees/fines	1.7	0.8	2.5
<b>Benefits Granted</b>			
Benefits Admin Subsidy shortfall	(67.8)	(6.4)	(74.2)
Debit Credit Card Collection Charges	7.8	-	7.8
Business Rates Levy	-	(119.4)	(119.4)
Other minor variances	(0.7)	(1.6)	(2.3)
<b>Revenues &amp; Benefits Partnership</b>			
Partnership contracts	10.0	(31.2)	(21.2)
<b>Management and Support</b>			
Other minor variances	1.8	-	1.8
<b>Service Assurance Team</b>			
SAT staffing	3.8	-	3.8
Annual Licences	(9.7)	2.9	(6.8)
Consultants Fees	(5.1)	-	(5.1)
Other minor variances	(4.0)	(12.8)	(16.8)
<b>ICT Support</b>			
ICT Staff	3.5	-	3.5
Other minor variances	0.6	-	0.6
<b>Central IT Costs</b>			
Annual Licences	(7.3)	63.5	56.2
IT Equipment Maintenance	(22.6)	(11.2)	(33.8)
Other Private contractors (Disaster Recovery)	10.1	(8.6)	1.5
Other minor variances	5.5	(1.3)	4.2
<b>Telephones</b>			
Other minor variances	(0.5)	-	(0.5)
<b>TOTAL</b>	<b>(73.0)</b>	<b>(125.3)</b>	<b>(198.3)</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	7
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

## Customer Service & ICT Highlight Report – Q3 (December 2025)

### Historic Issues

- None.

### Current Quarter's Issues

The estimated outturn variance is £198.3k adverse, the main movements being: -

- The benefits granted outturn shows an adverse variance of £77.1k, due to the Housing Benefits subsidy being less than estimated. This is currently an estimation and will be monitored throughout the year.
- Benefits administration has made a saving of £10.9k due to additional grant income being received.
- Payments estimated to be £119.0k for 2024/25 and 2025/26 relating to the Business Rates levy have been included.
- Additional consultancy and training costs of £14.8k have been included.
- IT Equipment shows an adverse variance of £33.8k due to the purchase of additional IT equipment for use at Futures Park.
- A review of IT professional subscriptions and licences is carried out throughout the year to check for any potential overspends in this area.

### Future Issues

- The Council's contract with Capita includes annual indexation increases linked to the higher of CPI or AWE.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	8
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

## Communities Directorate

Period 9 (Dec)

Operations & Communities	2025/26 Orig Budget £000	Virements Budget £000	2025/26 App Budget £000	2025/26 Q3 Outturn £000	2025/26 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 3 (Adv)/Fav £000
<b>Operational Functions</b>							
Operations Admin & Vehicle Maintenance	572.4	-	572.4	566.3	6.1	(151.0)	157.1
Refuse & Recycling	1,768.0	-	1,768.0	1,721.4	46.5	110.3	(63.7)
Street Sweeping	366.4	-	366.4	448.8	(82.4)	(106.1)	23.8
<b>Parks &amp; Cemeteries</b>							
Parks & Open Spaces	1,173.9	(152.9)	1,021.0	1,097.1	(76.1)	(68.0)	(8.0)
Cemeteries	(167.3)	152.9	(14.5)	59.1	(73.6)	(53.9)	(19.7)
<b>Communities Team</b>							
Area Forums	162.8	5.0	167.8	135.5	32.2	38.3	(6.0)
	15.0	-	15.0	15.0	-	-	-
<b>Total</b>	<b>3,891.1</b>	<b>5.0</b>	<b>3,896.1</b>	<b>4,043.2</b>	<b>(147.1)</b>	<b>(230.5)</b>	<b>83.4</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr Forecast £000
<b>Operations Admin &amp; Vehicle Maintenance</b>			
Henrietta Street Staffing	20.0	40.8	60.8
Fleet Management Staffing	111.0	0.1	111.1
Fleet Management Agency	(192.0)	20.0	(172.0)
Vehicle Maintenance (including Tyres, Parts and MOTs)	(5.5)	(6.7)	(12.3)
Professional Fees	(58.0)	58.0	-
External Printing and Canvass Payments	-	15.8	15.8
Computer Software / Equipment	(32.4)	30.0	(2.4)
Miscellaneous Variances	5.9	(0.8)	5.1
<b>Refuse &amp; Recycling</b>			
Refuse Staffing and Agency	85.2	(9.8)	75.4
Fuel Costs	65.0	-	65.0
Garden Waste Income	(7.3)	2.3	(5.1)
Residual - Sacks & Bag and Sale of Green Bins	7.0	5.0	12.0
Refuse Fleet - Tyres etc	(10.0)	(5.0)	(15.0)
Vehicle Tracking Lease	(6.0)	-	(6.0)
Trade Waste - Tipping Fees	12.0	(17.0)	(5.0)
Vehicle Maintenance and MOTs	(63.6)	(8.5)	(72.1)
Trade Waste - income	8.5	(14.1)	(5.7)
Bulks Income - Professional Services	5.0	(10.0)	(5.0)
Refuse Bins	10.0	(5.0)	5.0
Miscellaneous Variances	4.5	(1.5)	3.0
<b>Street Sweeping</b>			
Street Sweeping Salaries and Agency	1.0	(0.3)	0.8
Vehicle Maintenance and MOTs	(55.8)	8.1	(47.7)
Hire of Vehicles and Plant	(20.8)	6.9	(13.9)
Tyres and Sweeper Brushes	(25.0)	7.5	(17.5)
Refuse Bins	(5.0)	-	(5.0)
Miscellaneous Variances	(0.6)	1.6	1.0
<b>Parks &amp; Open Spaces</b>			
Parks and Open Spaces Staffing	34.9	(15.3)	20
Parks and Open Spaces - Agency Staffing	(20.0)	(21.1)	(41.1)
External Contractors	(35.0)	25.8	(9.1)
Miscellaneous Insurance Savings	6.7	-	6.7
Purchase of Tools and Equipment	5.0	-	5.0
Fuel	(10.0)	5.0	(5.0)
Tyres	4.0	-	4.0
Upkeep of Parks and Playing Fields	(11.5)	3.8	(7.7)
Public Open Space and Play Areas	12.7	-	12.7
Other Professional Fees	(50.0)	-	(50.0)
Insurance Claims Settled	-	10.0	10.0
Computer Software Purchases	-	(25.9)	(25.9)
Miscellaneous Variances	(4.7)	9.6	4.9
<b>Cemeteries</b>			
Cemeteries Staffing	8.8	(0.1)	8.6
Cemeteries - Agency Staffing	-	(21.3)	(21.3)
Running Costs	16.8	(4.2)	12.7
Cemetery Income & Internment Fees	(1.9)	(1.8)	(3.7)
Other Professional Fees	(65.0)	25.0	(40.0)
Direct Costs - Cemeteries General	(12.7)	(17.2)	(29.9)
<b>Communities</b>			
Communities staffing	33.5	2.3	35.8
Misc Variances	4.8	(8.4)	(3.6)
<b>TOTAL</b>	<b>(230.4)</b>	<b>83.4</b>	<b>(147.1)</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	9
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Operations Highlight Report – Q3 (December 2025)

### Historic Issues

- This service has historically required support from Agency staff and this reliance is expected to continue through 2025-26, albeit at a reduced level.
- While fuel prices have exhibited volatility in recent years, they stabilised during 2023-24, and this trend has continued. Should fuel prices remain stable throughout the remainder of 2025-26, the current budget allocation is expected to be sufficient to cover the associated fuel costs for the financial year.

### Current Quarter Issues

- At the end of Q3, Operations and Green Spaces have an adverse variance of £179.3k.
- A significant driver of this overspend is forecast expenditure of £90.0k associated with various health and safety related matters across the service.
- There has also been a significant overspend of £119.8k on Vehicle Maintenance due to the ongoing maintenance needs for Refuse and Street Sweep vehicles, alongside prices increases during the year. Of this total, £72.1k is attributable to Refuse vehicles, and £47.7k is attributable to Street Sweep vehicles.

### Fleet

- At Q3, Fleet has a projected overspend of £73.2k for the year.
- Currently, this department has two vacant posts which are being covered by higher-cost agency staff. A projected £111.1k saving on staffing has been offset by £172.0k of unbudgeted Agency spend, resulting in a forecast overspend of £60.9k for the year.

### Refuse

- At Q3, Refuse has a projected underspend of £46.5k.
- A projected saving of £81.4k is anticipated in employee-related costs, despite the need for Agency Staff to cover sickness and additional resourcing requirements.
- Garden Waste income is forecast to be £5.1k below budget, with Bulks net income also showing an underachievement of £11.0k. This is partially offset by a projected £10.0k surplus on Residual net income. Trade Waste net income is expected to be £5.7k below budget, primarily due to a £20.0k shortfall in Bulk Containers Waste.
- The most significant area of overspend relates to Vehicles, currently forecast at £22.8k. This position reflects pressures within Vehicle Maintenance (£70.0k), Tyre Renewal and Repairs (£15.0k) and the Vehicle Tracking Lease (£6.0k). These pressures are largely offset by a projected £65.0k savings in fuel, on the assumption that prices remain stable through 2025-26.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	10
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

### Street Sweep

- At Q3, Street Sweep has a projected overspend of £82.4k for the year.
- The Street Sweep service is forecasting an overspend primarily due to pressures in Vehicle Maintenance (£50.0k), Sweeper Brushes (£8.5k), Hire of Vehicles and Plant (£13.9k) and Tyre Renewal and Repairs (£9.0k). These costs reflect the ongoing maintenance requirements of an ageing street sweep fleet. The two larger vehicles are scheduled for replacement in early 2026-27.

### Parks

- At Q3, Parks have a projected overspend of £76.1k for the year.
- The most significant forecast overspend within Parks relates to essential health and safety works associated with tree management. This reflects a national pressure, and the Council is committed to following best practice in addressing it.
- At Q3, Playing Fields and Pitches have a forecasted overspend of £7.7k, whilst Play Areas have projected underspend of £12.7k.

### Cemeteries

- At Q3, Cemeteries have a forecast overspend of £73.6k, primarily driven by unbudgeted expenditure of £40.0k in Other Professional Fees. These fees are associated with ongoing health and safety requirements.
- Staffing costs within the service are projected to exceed budget by £12.7k, reflecting the use of higher-cost agency staff to meet additional resourcing requirements.
- Cemetery income is forecast at £290.6k resulting in a £3.7k shortfall against budget. This is fully offset by a projected £12.7k underspend in cemetery running costs, primarily due to enhanced energy efficiency measures.

### The Future

- The Government has stipulated that by April 2026 all households will have a weekly food waste collection. The Council remains on track to commence these collections from early April.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	11
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

## Communities Directorate

Period 9 (Dec)

Public Protection	2025/26 Orig Budget £000	Virements Budget £000	2025/26 App Budget £000	2025/26 Q3 Outturn £000	2025/26 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 3 (Adv)/Fav £000
Public Protection Unit	235.0	30.4	265.3	238.2	27.1	24.8	2.4
Environmental Health	242.4	-	242.4	220.4	22.0	23.5	(1.5)
Licensing & Enforcement	67.1	(30.4)	36.8	12.7	24.1	21.5	2.6
<b>Total</b>	<b>544.6</b>	<b>-</b>	<b>544.6</b>	<b>471.3</b>	<b>73.2</b>	<b>69.8</b>	<b>3.4</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000
<b>PPU</b>			
PPU Staffing / Agency	12.3	4.9	17.2
Dog boarding Services	7.9	(1.6)	6.3
<b>Environmental Health</b>			
Environmental Health - staffing and consultant	35.1	(8.7)	26.4
Environmental Health - Fees & Charges	(12.7)	6.7	(6.0)
<b>Licensing</b>			
Licensing & Enforcement - staffing	14.0	3.1	17.1
Licensing running costs	3.2	-	3.2
Taxi Licensing Income	2.4	1.0	3.5
Miscellaneous Licences	0.8	(2.0)	(1.3)
<b>Animal Licensing</b>			
Animal Licensing Staffing	2.8	-	2.8
Animal Licensing income	2.2	(1.8)	0.4
<b>Pool Car</b>			
Other misc variances	1.7	1.3	3.0
<b>TOTAL</b>	<b>69.8</b>	<b>3.4</b>	<b>73.2</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	12
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

### Environmental Health, Public Protection Unit and Licensing and Enforcement Service Highlight Report – Q3 December 2025)

#### Historic Issues

- Nothing reported.

#### Public Protection Unit

- The staffing costs are projecting a saving of £17.2k.
- The cost of dog services is currently operating within budget at Q3 with an underspend of £6.3k. The costs from the kennels and vet are lower than anticipated.

#### Environmental Health

- At Q3 staffing costs are Projecting an underspend of £22.0k. The service area has two long term vacant posts and a third became vacant in October. An Environmental Officer has been appointed in January 2026.
- Income streams within Environmental Health at Q3 are predicting a shortfall of £6.0k.

#### Licensing

- The staffing costs are projecting an underspend of £17.1k.
- All income is expected to over achieve by £3.5k.

#### Animal Licensing

- The staffing costs are projected to come within budget by the end of the year.
- Service area running costs are projected to be within budget.

#### Future Issues

- Nothing to report.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	13
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

## Economic Development Directorate

Period 9 (Dec)

Economic Development & Regeneration Services	2025/26 Orig Budget £000	Virements Budget £000	2025/26 App Budget £000	2025/26 Q3 Outturn £000	2025/26 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 3 (Adv)/Fav £000
<b>Planning</b>							
Development Control	285.8	-	285.8	122.8	163.0	196.4	(33.5)
Forward Planning	168.9	-	168.9	150.3	18.5	12.4	6.1
<b>Building Control</b>							
Building Control - Fee Earning Account	(26.2)	-	(26.2)	(32.7)	6.5	10.8	(4.3)
Building Control - Statutory Function	35.7	-	35.7	35.1	0.7	1.0	(0.4)
Building Control - Street Signs	4.0	-	4.0	(1.6)	5.6	3.0	2.6
<b>Regeneration</b>							
Economic Regeneration	173.7	-	173.7	111.3	62.4	33.0	29.5
Whitaker Park Museum	34.0	-	34.0	36.3	(2.3)	(3.2)	0.9
Tourism	33.5	(5.0)	28.5	69.5	(41.0)	(0.5)	(40.5)
Markets	20.5	-	20.5	82.2	(61.7)	(39.0)	(22.8)
Climate Change	1.8	-	1.8	45.5	(43.7)	(43.7)	(0.0)
<b>Property Services &amp; Facilities Management</b>							
Property Services	39.2	-	39.2	24.9	14.3	16.3	(2.0)
Corporate Estates	(320.8)	-	(320.8)	(461.0)	140.2	152.0	(11.8)
Non Domestic Estates	(120.9)	-	(120.9)	(153.3)	32.4	25.9	6.5
Office Accommodation	(16.7)	-	(16.7)	53.3	(70.0)	(65.6)	(4.4)
Operational Properties	288.1	-	288.1	392.0	(103.8)	(82.8)	(21.1)
Leisure Properties	66.6	-	66.6	87.3	(20.7)	(13.5)	(7.2)
Bus Shelters	148.3	-	148.3	140.1	8.2	7.8	0.4
Business Centre	136.9	-	136.9	192.9	(56.1)	(30.9)	(25.1)
<b>Strategic Housing</b>							
Housing Strategy	41.7	-	41.7	40.7	1.0	3.9	(2.9)
Private Sector Housing Renewals	11.0	0.0	11.0	8.6	2.4	12.7	(10.3)
Homelessness	246.8	-	246.8	258.2	(11.5)	(83.8)	72.4
<b>Total</b>	<b>1,251.9</b>	<b>(5.0)</b>	<b>1,246.9</b>	<b>1,202.4</b>	<b>44.5</b>	<b>112.4</b>	<b>(67.9)</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	14
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000
<b>Planning</b>			
Forward Planning staffing	10.6	5.9	16.5
Planning staffing	(4.1)	3.5	(0.6)
Planning Degree training costs	(13.0)	-	(13.0)
Planning Consultancy fees/ Legal fees	(35.2)	(23.3)	(58.5)
Reimbursement relating to a planning appeal	-	(12.7)	(12.7)
Planning Application Fee Income	252.3	1.1	253.4
Pre-App Income	0.4	5.7	6.1
Other Miscellaneous Variances	(0.1)	(5.0)	(5.1)
<b>Building Control</b>			
Building Control staffing	3.0	(0.4)	2.6
Building Control Fees	8.0	(3.8)	4.2
<b>Building Control - Statutory Function</b>	-	-	-
<b>Building Control - Street Signs</b>	2.3	2.6	4.9
Other Miscellaneous Variances	(0.5)	(3.0)	(3.5)
<b>Regeneration</b>			
Economic Regeneration Staffing	74.4	46.3	120.7
Economic Regeneration - Other Miscellaneous Variances	(1.4)	(56.8)	(58.2)
Tourism - Other Miscellaneous Variances	(40.5)	(0.5)	(41.0)
Markets Income Under Achieved	(39.0)	(22.8)	(61.8)
Climate Change - Staffing and Associated Costs	(43.7)	-	(43.7)
<b>Whitaker Park Museum</b>	(3.2)	0.9	(2.4)
<b>Strategic Housing</b>			
Housing Strategy Staffing	3.7	(3.0)	0.7
Private Sector Housing Renewals staffing	12.0	(9.6)	2.4
Homelessness Staffing and Agency	25.1	(16.9)	8.2
Payment of Bonds and first months rent (Savings)	19.4	17.4	36.8
Costs for Resources on Homelessness excluding B&B costs underspent	(19.8)	(3.0)	(22.8)
(B&B) Homelessness Accommodation costs	(70.0)	70.0	-
Housing Benefit monies received	191.7	(120.7)	71.0
Recharge of HB Subsidy shortfall	(230.3)	126.3	(104.0)
Other Miscellaneous Variances	0.3	(1.3)	(1.0)
<b>Property Services Team</b>			
Property Services staffing	12.6	(10.6)	2.0
Emergency Planning, Xmas Lights	(2.2)	-	(2.2)
<b>Corporate Estates</b>			
Corporate Estates rental income	89.5	(7.8)	81.7
Futures Park rental income	6.0	-	6.0
Valuation Fees	(1.9)	5.3	3.4
Professional Fees	(11.8)	1.4	(10.5)
<b>Operational Properties</b>			
Property Running Costs: Repairs & Maintenance	(0.5)	(7.7)	(8.2)
Gas, Electricity, Water	-	1.8	1.8
NNDR	(19.9)	7.9	(12.0)
Boilers / Alarms / Lifts / Emergency Lighting	(8.8)	(4.7)	(13.5)
Tree Felling	(20.0)	-	(20.0)
Knotweed Treatment	(2.0)	(1.0)	(3.0)
<b>Leisure Properties</b>	-	-	-
<b>Bus Station / Shelters</b>			
Spinning Point Bus Station running costs	(7.3)	(11.0)	(18.3)
Spinning Point Bus Station - Departure charges	-	-	-
Bus Shelters	(0.2)	-	(0.2)
<b>Business Centre</b>			
Business Centre running costs	(6.3)	(30.9)	(37.2)
Business Centre rentals	(19.1)	(1.0)	(20.1)
Business Centre Fit Tarrif	(2.0)	-	(2.0)
Other Miscellaneous Variances	4.0	(6.4)	(2.4)
<b>TOTAL</b>	<b>112.4</b>	<b>(67.9)</b>	<b>44.5</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	15
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Economic Development & Regeneration Highlight Report – Q3 (December 2025)

### Historic Issues

- Nothing to report.

**Planning & Building Control are showing a favourable variance of £181.5k, which is broken down as detailed below: -**

- Planning/Forward Planning staffing (inc agency/consultancy) costs are showing a favourable variance of £15.9k. All vacant posts have now been filled.
- Building Control staffing costs are projected to underspend by £2.6k.
- The Planning fee income is showing a surplus of £253k; during the year there have been major planning application fees received which were not anticipated.
- Pre-application fees are overachieving the income budget target by £6.1k.
- Building Control income is projected to exceed the target by £4.2k.
- A planning application won an appeal and the applicant was reimbursed £12.7k.

**Economic Regeneration has an adverse variance of £86.3k, which is broken down as detailed below: -**

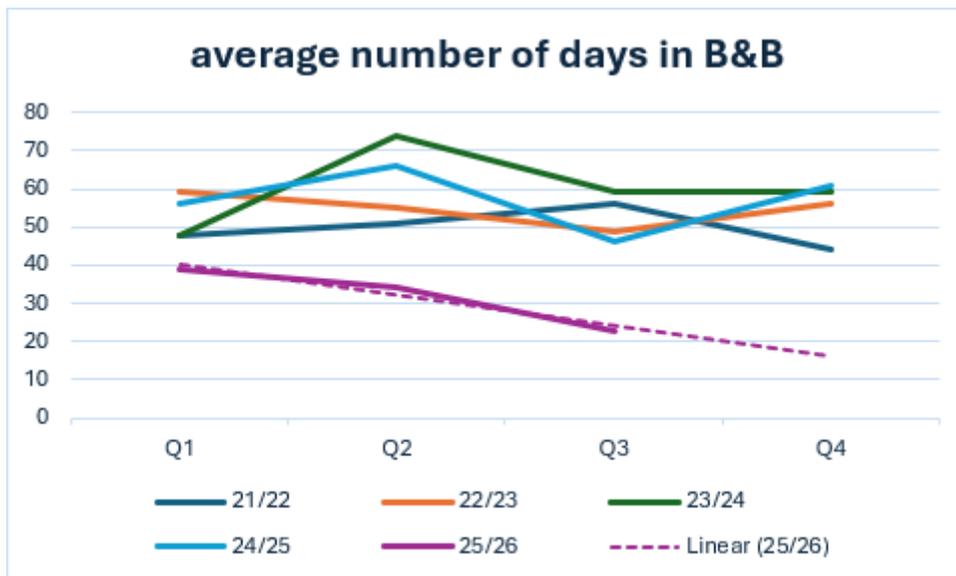
- A projected saving of £120.6k is anticipated within Economic Regeneration staffing costs, attributable to the External Funding Recharge, which allows eligible staff costs to be recovered through external funding and grant allocations.
- The Q3 forecast outturn for Markets is £61.7k adverse to budget, covering both Haslingden and Rawtenstall which are both now fully operational. Rawtenstall market is thriving and is expected to slightly miss its budgets, while Haslingden is still developing its customer base and is forecasting a loss in its first year of trading.
- The Museum has a forecasted overspend of £2.3k, mainly driven by higher costs for Burglar Alarms and Security Systems (£2.0k), along with other essential premises-related expenditure.
- Tourism also has a forecasted overspend of £41k, due to a one-off unbudgeted cost.

**Housing has an adverse variance of £8k which is broken down as detailed below: -**

- Staffing underspends at Q3 of £11.4k are due to staff being appointed at lower scale points, generating savings against the budget.
- With regards to payment of bonds to assist with providing temporary accommodation, the estimated costs are expected to be £63.0k. This will give an estimated saving of £36.8k for the year, compared to the budget.

Temporary accommodation has reversed previous trends and as at Q3, is expected to be within budget at the end of the year. The Housing Options team has worked proactively to reduce the Council's spend on bed and breakfast accommodation. Through timely homelessness decisions, thorough needs assessments, effective support in temporary accommodation, and efficient use of the Council's own temporary accommodation stock, the average length of stay in bed and breakfast accommodation has decreased, resulting in a cost saving for the local authority. The following graph gives an indication of the reduction of B&B days for 2025/26, compared to previous years.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	16
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	



- RBC are in receipt of additional Housing Benefit from DWP to cover the direct costs charged to the Housing Options Team for B&B charges from the hotels. This covers circa 1/7<sup>th</sup> of the costs incurred. The reduction of B&B days has also resulted in a reduction of Housing Benefits monies received which, in turn, has reduced the subsidy shortfall. Although the net effect will still be an overspend on the budget for the year, it is expected to reduce to an estimated overspend of £32.9k.
- Other budgeted costs at Q3 for resources on Homelessness are projected to overspend by an estimated £23.3k.

The situation will be closely monitored so decisions can be made whilst progressing through the remainder of the year.

**Property Services and Facilities Management is currently projecting an adverse variance of £55.5k. This is broken down as detailed below: -**

- Salary costs are showing a favourable variance of £2.0k. The vacant manager post has now been appointed to.
- Facilities running costs are showing an adverse variance of £56.9k.
- The estates income is showing an overall favourable variance of £87.7k. RBC received £75k on completion of an options agreement associated with planning.
- Valuation fees / professional fees are showing an overspend of £7.0k, predominately due to costs of eviction notices.
- The Business Centre room hire is projecting an underachievement of £20.1k. The Property team are looking to increase tenant occupancy which will seek to reduce this deficit. During this year, further units have successfully been leased.
- Tree Felling costs across unmaintained land are projected to spend £20.0k. These are all unbudgeted costs.

**Future Issues**

The council has entered into new utility contracts for the electricity and gas providing cheaper utility costs across the council sites.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	17
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

## Corporate Services Directorate

Period 9 (Dec)

Corporate Management	2025/26 Orig Budget £000	Virements Budget £000	2025/26 App Budget £000	2025/26 Q3 Outturn £000	2025/26 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 3 (Adv)/Fav £000
<b>Corporate Management</b>							
Executive Office	399.4	-	399.4	406.2	(6.7)	(17.0)	10.3
Corporate Contingency	37.5	-	37.5	27.0	10.5	(5.0)	15.5
Corporate Subscriptions	55.0	-	55.0	67.0	(12.0)	(1.3)	(10.8)
<b>Legal Services</b>	202.2	-	202.2	189.5	12.6	16.0	(3.4)
<b>Land Charges</b>	20.5	-	20.5	(1.4)	21.9	21.7	0.2
<b>Democratic Services</b>							
Electoral Registration	96.7	-	96.7	85.8	10.9	6.5	4.4
Elections	89.8	-	89.8	88.3	1.5	1.5	-
Democratic Support	345.9	-	345.9	323.8	22.1	21.4	0.7
Mayoralty & Civic Events	76.4	-	76.4	60.6	15.8	19.9	(4.1)
Town Twinning	2.5	-	2.5	2.5	-	-	-
<b>Financial Services</b>							
Treasury Management	198.8	-	198.8	220.8	(22.0)	56.6	(78.6)
Insurance, Risk & Audit Fees	65.1	-	65.1	65.4	(0.3)	(0.4)	0.1
Financial Services	325.1	-	325.1	311.4	13.7	18.9	(5.2)
<b>People &amp; Policy</b>							
Human Resources	597.9	-	597.9	549.5	48.4	55.0	(6.6)
Corporate Support	347.7	-	347.7	298.8	48.9	42.2	6.7
Publicity	-	-	-	-	-	-	-
<b>Leisure Services</b>	(31.9)	-	(31.9)	9.3	(41.2)	(40.9)	(0.2)
<b>Empty Homes Scheme</b>	100.6	-	100.6	42.5	58.0	60.0	(2.0)
<b>Total</b>	<b>2,929.1</b>	<b>-</b>	<b>2,929.1</b>	<b>2,746.9</b>	<b>182.2</b>	<b>255.1</b>	<b>(72.9)</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	18
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000
<b>Executive Office</b>			
Salary variances	(2.9)	5.0	2.1
Conferences and Travel	(14.0)	5.8	(8.2)
Other minor variances	(0.1)	(0.5)	(0.6)
<b>Corporate Contingency</b>	(5.0)	15.5	10.5
<b>Executive Office Servicing</b>	(1.3)	(10.8)	(12.1)
<b>Legal Services</b>			
Salary variances	8.2	-	8.2
Professional fees	5.4	-	5.4
Legal Income	0.6	(3.3)	(2.8)
Other Legal Misc under/ over	1.8	(0.0)	1.8
<b>Land Charges</b>			
Salary variances	2.8	-	2.8
Search Income	(3.0)	0.2	(2.8)
HM Land Registry Grant Income	24.0	-	24.0
Other minor variances	(2.1)	-	(2.1)
<b>Democratic Services</b>			
Salary variances Elections	8.0	-	8.0
Other Election Misc under/ over	-	4.3	4.3
Salary variances Democratic Support	19.2	(1.2)	18.0
Members Costs	19.1	0.8	19.9
Office equipment	-	0.9	0.9
Other Dem Misc under /over	3.6	(4.0)	(0.4)
<b>Town Twinning</b>	(0.6)	-	(0.6)
<b>Treasury Management</b>			
External Audit (Including Audit Backstop Funding)	51.5	(62.2)	(10.7)
Bank Charges / Bank interest	5.0	(16.3)	(11.3)
<b>Insurance, Risk &amp; Audit Fees</b>			
LCC Audit fees	-	-	-
<b>Financial Services</b>			
Salary variances - Accountants	24.0	(6.0)	18.0
Salary variances - Exchequer	2.5	-	2.5
Subscriptions	3.9	-	3.9
Computer System upgrade	(11.0)	-	(11.0)
Other misc under / (over) spends	(0.8)	0.9	0.2
<b>Human Resources</b>			
Salary variances	66.8	(0.2)	66.6
Authority wide Training	1.5	-	1.5
Annual Licences	(7.0)	-	(7.0)
Agency	-	(3.1)	(3.1)
Emergency Radio	-	(0.9)	(0.9)
Other minor variances	(1.9)	(2.3)	(4.2)
<b>Corporate Support</b>			
Salary variances	37.8	7.2	45.0
Other variances	-	(0.5)	(0.5)
<b>Leisure</b>	(1.6)	(0.2)	(1.8)
<b>Leisure Review</b>	(39.3)	-	(39.3)
<b>Empty Homes</b>	60.0	(2.0)	58.0
<b>TOTAL</b>	<b>255.1</b>	<b>(72.9)</b>	<b>182.2</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	19
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Corporate Management Highlight Report – Q3 (December 2025)

### Historic Issues

- None.

### Current Quarter Issues

The Corporate Management Directorate outturn is forecast to deliver a favourable variance of £182.2k, the main movements being: -

- Staffing cost variances at Q3 are projected to be £169.4k favourable to budget:
  - Land Charges is showing a favourable variance of £2.8k.
  - Democratic Services is showing a favourable variance of £18k due to reduced working hours.
  - Elections is showing a favourable variance of £8.0k.
  - Corporate Management is showing a favourable variance of £2.1k.
  - Financial Services is showing a favourable variance of £20.5k.
  - People & Policy is showing a favourable variance of £66.8k due there being a vacant post, reduced working hours and Communications being provided by an external agency.
  - Corporate Support is showing a favourable variance of £45.0k due to vacant posts.
  - Legal is showing a favourable variance of £8.2k.
- Members costs are forecasting an underspend of £19.9k due to the reduced number of councillors.
- An upgrade of the Council's payment software has incurred additional costs of £11.0k.
- Bank Charges are projecting an adverse variance of £11.3k.
- A Leisure Review for the authority has been commissioned and is expected to cost £39.3k.

### Future Issues

- None.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	20
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

## Corporate Services Directorate

Period 9 (Dec)

Non-Distributed Costs & Capital Financing	2025/26 Orig Budget £000	Virements Budget £000	2025/26 App Budget £000	2025/26 Q3 Outturn £000	2025/26 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 3 (Adv)/Fav £000
<b>Non Distributed Costs</b>							
Employee & Pension Costs	200.0	-	200.0	95.8	104.2	148.3	(44.1)
Other Non-distributed Costs	35.3	-	35.3	174.6	(139.3)	(69.1)	(70.2)
<b>Capital Financing</b>							
Minimum Revenue Provision	644.1	-	644.1	712.9	(68.8)	(68.8)	-
Interest (net)	174.6	-	174.6	(550.4)	725.0	375.0	350.0
<b>Total</b>	<b>1,054.0</b>	<b>-</b>	<b>1,054.0</b>	<b>432.9</b>	<b>621.1</b>	<b>385.4</b>	<b>235.7</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr Forecast £000
<b>Employee &amp; Pension Costs</b>			
Vacancy control and unpaid leave savings target - net	(100.0)	14.8	(85.2)
Employee contribution Additional leave	38.1	(38.1)	-
Superann additional years/Contribution to Pension deficit	210.2	(20.8)	189.4
<b>Other Corporate</b>	<b>(69.1)</b>	<b>(70.2)</b>	<b>(139.3)</b>
<b>Capital Financing</b>			
Interest Payable	200.0	50.0	250.0
Interest Receivable	175.0	300.0	475.0
MRP	(68.8)	-	(68.8)
<b>TOTAL</b>	<b>385.4</b>	<b>235.7</b>	<b>621.1</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	21
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Non-Distributed Costs & Capital Financing Highlight Report – Q3 (December 2025)

### Historic Issues

- Savings on pension costs relate to historical pension liabilities, and arise as former employees pass away.

### Current Quarter Issues

- The Minimum Revenue Provision (MRP) is £68.8k over budget, mainly due to delays in capital expenditure in previous years.
- The budgeted expenditure of £157.0k relating to the Council's contribution towards a potential pension scheme deficit is not expected to be required. This will result in additional savings of £157.0k.
- Non-distributed costs include a vacancy savings target of £100k and anticipated savings relating to unpaid leave of £25k:
  - Vacancy savings are included within the relevant department variances.
  - Employee contributions relating to the purchase of additional leave are included in non-distributed costs.
  - A more detailed analysis is included in the 'Staff Costs' element of the monitoring pack.
- Net interest for the year shows a favourable variance of £725k, as detailed below:
  - Income from longer-term, high-interest deposits maturing during the year is forecast to be £700k, resulting in a favourable variance of £475.0k.
  - Officers have been actively working to maximise interest receivable on the Council's cash balances.
  - Estimated cash borrowing is lower than originally budgeted, primarily due to the timing of capital projects within the Capital Programme, which are commencing or are being completed later than planned. As a result, this is expected to generate savings of £250.0k in borrowing interest costs.
  - Borrowing is expected to be required in future years once the agreed capital projects commence.

### Future Issues

A significant reduction in interest rates would reduce the level of interest income received.

### Earmarked Reserves

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	22
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Earmarked Reserves (cash-backed items only)	Local Business Rates Retention Reserve	Transitional Budgetary Support	Rawtenstall Bus Station Commutated sum	Directorate Reserves	MMI	General Reserves	Total Reserves
<b>Balance at 01/04/2025</b>	3,112.6	5,910.2	486.0	2,005.5	228.8	1,000.0	12,743.1
<b>Funds Received 2025/26</b>							
Transfer between Reserves		(44.0)					(44.0)
Revenue Support Grant		111.0					111.0
Collection Fund - S31 Grants (NNDR3)	2,436.0						2,436.0
Collection Fund - Renewable Energy (NNDR1/3)							-
Business Rates Pooling net gain							-
New Homes Bonus		141.0					141.0
Extended Producer Responsibilities		649.0					649.0
Recovery Grant		297.0					297.0
Employers NI Contribution Scheme		75.0					75.0
<b>Total Funds Available</b>	<b>5,548.6</b>	<b>7,139.2</b>	<b>486.0</b>	<b>2,248.4</b>	<b>228.8</b>	<b>1,000.0</b>	<b>16,651.0</b>
<b>2025/26 Published Budget Utilisation</b>							
Retained Business Rates							-
Revenue Support Grant		(111.0)					(111.0)
Collection Fund - S31 Grants (NNDR3)	(2,436.0)						(2,436.0)
Collection Fund - Renewable Energy (NNDR1/3)							-
Business Rates Pooling net gain							-
New Homes Bonus		(141.0)					(141.0)
Extended Producer Responsibilities		(649.0)					(649.0)
Recovery Grant		(297.0)					(297.0)
Employers NI Contribution Scheme		(75.0)					(75.0)
General budget support		37.7					37.7
<b>2025/26 Other Utilisation Plans</b>							
Transfers between Reserves							-
Other Utilisation from Directorates				(488.6)			(488.6)
<b>Total Utilisation Commitment</b>	<b>(2,436.0)</b>	<b>(1,235.3)</b>	<b>-</b>	<b>(488.6)</b>	<b>-</b>	<b>-</b>	<b>(4,159.9)</b>
<b>Reserve Estimates 31/03/2026</b>	<b>3,112.6</b>	<b>5,903.9</b>	<b>486.0</b>	<b>1,759.8</b>	<b>228.8</b>	<b>1,000.0</b>	<b>12,491.0</b>
<b>Future Contributions/Utilisation Plans</b>							
2026/27 Plans	114.0	(837.0)		(207.8)			(930.8)
2027/28 Plans		(917.0)		(117.7)			(1,034.7)
<b>Potential Reserve Balances</b>	<b>3,226.6</b>	<b>4,149.9</b>	<b>486.0</b>	<b>1,434.3</b>	<b>228.8</b>	<b>1,000.0</b>	<b>10,525.5</b>

### Current Issues

The brought forward reserves balance was £12,743k as shown in the table above. Of this balance c. £1,759.8k is ring-fenced. As noted on page 2, the positive variance at Q3 of £575.6k will reduce the pressure for a significant contribution to be required from the Transitional Reserve as predicted in the 2025/26 MTFS.

### Grants Unapplied

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	23
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Grants Unapplied (* denotes a capital grant)	Disabled Facilities Grants *	Capital Regeneration Programme (CRP) *	Local Authority Housing Fund (LAHF) *	DEFRA Waste Capital Fund *	Long Term Plans for Towns	Total
	£000	£000	£000	£'000	£'000	
<b>Balance at 01/04/2025</b>	<b>2,083.0</b>	<b>3,069.0</b>	<b>493.0</b>	<b>528.0</b>	<b>170.0</b>	<b>6,343.0</b>
<b>New Funds Received 2025/26</b> Grant due/received	1,439.0					<b>1,439.0</b>
<b>Total Funds Available</b>	<b>3,522.0</b>	<b>3,069.0</b>	<b>493.0</b>	<b>528.0</b>	<b>170.0</b>	<b>7,782.0</b>
<b>Utilisation in 2025/26</b> DFGs Outturn 2025/26 CRP Markets and Gyrotory Local Authority Housing Fund (LAHF) DEFRA Food Waste Long Term Plans for Towns	(2,600.0)	(3,069.0)	(493.0)	(528.0)	(170.0)	<b>(2,600.0)</b> <b>(3,069.0)</b> <b>(493.0)</b> <b>(528.0)</b> <b>(170.0)</b>
<b>Anticipated Balance 31/03/2026</b>	<b>922.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>922.0</b>

In addition to the £2,083k of unspent DFG grant brought forward at 1<sup>st</sup> April 2025, the 2025/26 allocation of £1,439k has been confirmed, giving total DFG resources of £3,522k. The utilisation is based on the estimated capital spend for the year, which will be reviewed and updated throughout the remainder of the year.

All other grants, received in the previous year and in the current year, are expected to be used in 2025/26.

### Staff Costs, Including Agency

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	24
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Net Employment Costs 2025/26 to 31/12/2025	YTD Budget £000	YTD Actual £000	YTD Variance (Adv)/Fav £000	Variance last Qtr (Adv)/Fav £000	Change this Qtr (Adv)/Fav £000	FTE Original Budget 2025/26	FTE Changes during 2025/26	Current Vacant Posts
<b>Communities Directorate</b>								
Customer Services	321	315	7	5	2	7.8	0.0	0
Operations Service	1,903	1,814	89	44	45	52.0	0.0	4
Parks & Cemeteries	658	675	(17)	(7)	(10)	22.0	0.0	1
Public Protection Unit	144	128	16	9	7	3.0	0.0	0
Environmental Health	165	128	38	31	7	4.0	1.0	3
Licensing & Enforcement	81	66	15	9	6	3.0	0.0	1
Communities Team	109	64	45	30	15	2.8	1.0	0
<b>Economic Development Directorate</b>								
Planning Services	463	455	7	6	2	11.6	0.2	0
Building Control Services	109	107	2	1	1	3.0	0.0	0
Regeneration	429	393	36	(3)	38	10.7	0.0	1
Property Services	121	114	8	8	(0)	4.0	0.0	0
Housing	312	304	8	13	(5)	8.5	0.0	0
<b>Corporate Services</b>								
Corporate Management	290	294	(3)	3	(6)	3.0	0.0	0
Legal Services	143	135	9	4	5	3.0	0.0	1
Local Land Charges	43	41	2	1	1	1.2	0.0	0
Democratic Services	220	206	14	10	4	6.5	0.0	0
Financial Services	388	357	31	31	(0)	10.0	1.0	0
People & Policy	680	566	114	86	28	19.2	0.0	4
Leisure Services	36	50	(13)	(8)	(5)	0.8	(0.8)	0
<b>Total</b>	<b>6,616</b>	<b>6,210</b>	<b>406</b>	<b>273</b>	<b>134</b>	<b>177.1</b>	<b>1.4</b>	<b>15</b>

<b>Salary savings</b>	406
<b>Additional Leave</b>	40
<b>Total Staff Savings</b>	446
<b>Original Savings Target</b>	125
<b>Savings Target fav/(adv)</b>	321

Net employee underspends at Q3 amount to £406k, in addition there are savings related to purchased additional leave of £40k, resulting in a total staff saving of £446k. The savings target for the year is £125k, therefore, resulting in an estimated favourable outturn variance of £321k. This is due to the agreed pay award of 3.2% being less than the budgeted estimate of 5% and a reduction in the pension payable.

Whilst a saving against budget on salaries is beneficial from a financial perspective, there is a risk that this will have a negative impact on the workforce as workloads increase to cover the vacant posts.

### Treasury Management & Cash Flow Monitoring

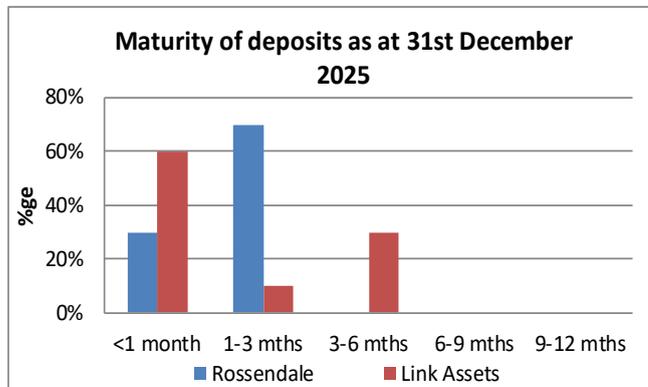
At the end of December 2025, the bank balances were £25.2m. This is higher than in previous

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	25
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

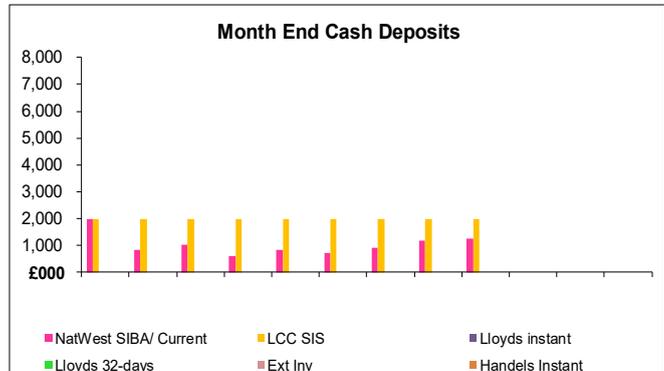
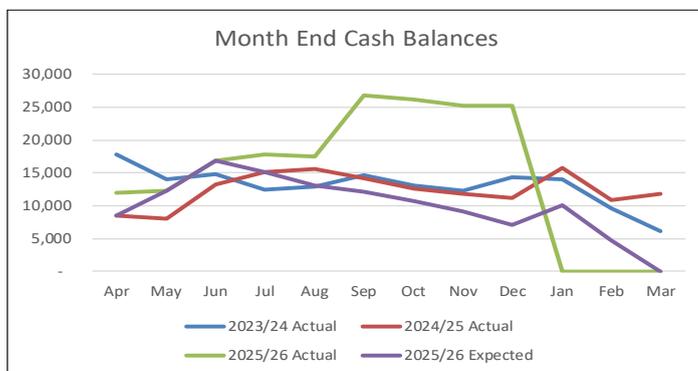
## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

years due to funds being received in advance for capital schemes and Disabled Facilities Grants.

Although interest rates have recently fallen, the Bank Rate has remained high over the past two years. Because of this, and with temporary cash balances available for investment, the Council continues to take a more proactive approach to managing its cash in 2025/26. This aims to increase interest income beyond budget expectations and help offset rising costs caused by ongoing inflationary pressures.



Balances & Interest Rates at 31/12/2025	Current Balance £k	Avg Interest Rate %
NatWest SIBA	1,241	0.10
Lancashire CC Call	2,000	3.50
Handelsbanken instant	-	0.00
External Investments	20,000	3.70
Lloyds instant access	2,000	3.72
Lloyds 12mth Deposit	-	-
<b>Total Bal &amp; Avg interest</b>	<b>25,241</b>	<b>3.51</b>



The Monetary Policy Committee (MPC) regularly review interest rates. The most recent movement was a reduction of 0.25% in December 2025. The current Bank of England interest rate is 3.75%.

The Council's strategy remains to retain a significant portion of its balances as liquid funds, to ensure it can respond promptly when required to meet its commitments as they fall due (revenue and capital expenditure).

Instant access arrangements typically return lower interest rates than fixed-term deposits. Despite the recent change in bank rate, officers are working to generate the highest level of interest income possible, whilst maintaining the ability to access funds when needed.

As per the commentary above, the Council continues to take a more proactive approach to fixed and longer-term investments for a smaller proportion of its surplus balances. In accordance with the approved Treasury Management Strategy, these deposits will be placed with high quality

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	26
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Counterparties e.g. Central Government or other Local Authorities. The strategy is considered prudent in the context of CIPFA's Prudential Code which prioritises Security and Liquidity over Yield (SLY).

At 31<sup>st</sup> December 2025, the Council's portfolio mix consists of £1.2m in the Natwest current account, £2m in an LCC call account, £2m in a Lloyds deposit account and £20.0m on deposit with the Debt Management Office (DMO). The DMO is responsible for debt and cash management for the UK Government, lending to local authorities and managing certain public sector funds. RBC have deposits for varying periods up to 3 months with the DMO.

<b>Interest Forecast</b>	<b>Budget 2025/26</b>	<b>Forecast 2025/26</b>	<b>Variance Fav/(Adv)</b>	<b>Change Fav/(Adv)</b>
<b>Revenue</b>				
Interest payable (PWLB)	(100.0)	(100.0)	-	-
Other interest payable	(300.0)	(50.0)	250.0	250.0
Misc Interest income	-	-	-	-
Bank Interest income	225.0	700.0	475.0	475.0
<b>Net Interest</b>	<b>(175.0)</b>	<b>550.0</b>	<b>725.0</b>	<b>725.0</b>

The average effective interest rate at the end of Q3 was 3.51%.

### Interest Paid / Received

The budget for interest in 2025/26 is a net cost of £175k. The outturn position is forecast to be net income of £550k. This is due to higher than anticipated available cash and slower than anticipated reductions in interest rates. This is combined with the reliance on internal borrowing, resulting in savings in interest paid on external borrowing.

### Borrowing

The Council has an identified a 'prudential' borrowing need to finance its capital expenditure plans, in the sum of £6.2m, over the MTFs period from 2024/25 until 2026/27.

The decrease to Bank Rate during the last financial year has affected the borrowing rates on offer from PWLB.

The Council continues to assess its borrowing need on an ongoing basis, in accordance with the approved Treasury Management Strategy.

### Interest Rate Forward Predictions

The Council's treasury management advisors, MUFG (formerly Link), have reviewed their interest rate forecast for the next four years, as demonstrated in the table overleaf.

MUFG also provide their view of the 25 year borrowing rates from the Public Works Loan Board (PWLB). This forecast is based on a concessionary rate reduction to the standard rate for new loans, known as the 'Certainty Rate'. This discount is currently equal to a 20 basis point reduction to the standard rate. For clarity, the above table includes the Certainty Rate.

The Council completed the annual application for access to the Certainty rate to support its Capital borrowing plans on the most favourable terms available.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	27
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

MUFG Corporate Markets Interest Rate View 22.12.25													
	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28	Mar-29
<b>BANK RATE</b>	3.75	3.50	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
<b>3 month ave earnings</b>	3.80	3.50	3.50	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
<b>6 month ave earnings</b>	3.80	3.50	3.50	3.40	3.30	3.30	3.30	3.40	3.40	3.40	3.40	3.40	3.40
<b>12 month ave earnings</b>	3.90	3.60	3.60	3.50	3.40	3.50	3.50	3.50	3.50	3.50	3.60	3.60	3.60
<b>5 yr PWLB</b>	4.60	4.50	4.30	4.20	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
<b>10 yr PWLB</b>	5.20	5.00	4.90	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60	4.60	4.70
<b>25 yr PWLB</b>	5.80	5.70	5.60	5.50	5.50	5.40	5.30	5.30	5.30	5.20	5.20	5.20	5.20
<b>50 yr PWLB</b>	5.60	5.50	5.40	5.30	5.30	5.20	5.10	5.10	5.10	5.00	5.10	5.00	5.00

## Treasury Management Practices (TMPs) and Prudential Indicators

The Council's Treasury Management Strategy Statement 2025/26 and was approved by Council on 5th March 2025.

### Prudential Indicators

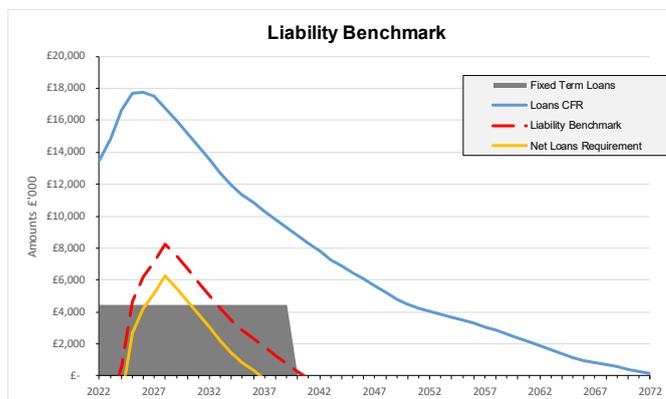
The updated Prudential Indicators – taking into account the Q3 Monitoring position are shown below.

Capital Expenditure	Original 2025/26 £'000	Q3 Revised £'000
Climate Change	527	767
Corp Services & Buildings	430	352
Housing	1,000	3,449
Ops & Coms	8,036	2,734
Regeneration	14,279	6,315
<b>Total</b>	<b>24,272</b>	<b>13,618</b>

Financing of Capital Expenditure	Original 2025/26 £'000	Q3 Revised £'000
Capital Receipts	1,600	640
Capital Grants	17,228	11,332
S106	-	6
Capital Reserves	-	-
Earmarked Reserves	-	-
<b>Total in-year resources</b>	<b>18,828</b>	<b>11,978</b>
<b>Net Financing need for year</b>	<b>5,444</b>	<b>1,639</b>

CFR	Original 2025/26 £'000	Actual 2025/26 £'000
<b>Total CFR</b>	<b>23,448</b>	<b>18,561</b>

Operational Boundary & Authorised Limit	Original 2025/26 £'000	Revised 2025/26 £'000
Operational Boundary	24,400	24,400
Authorised Limit	26,400	26,400



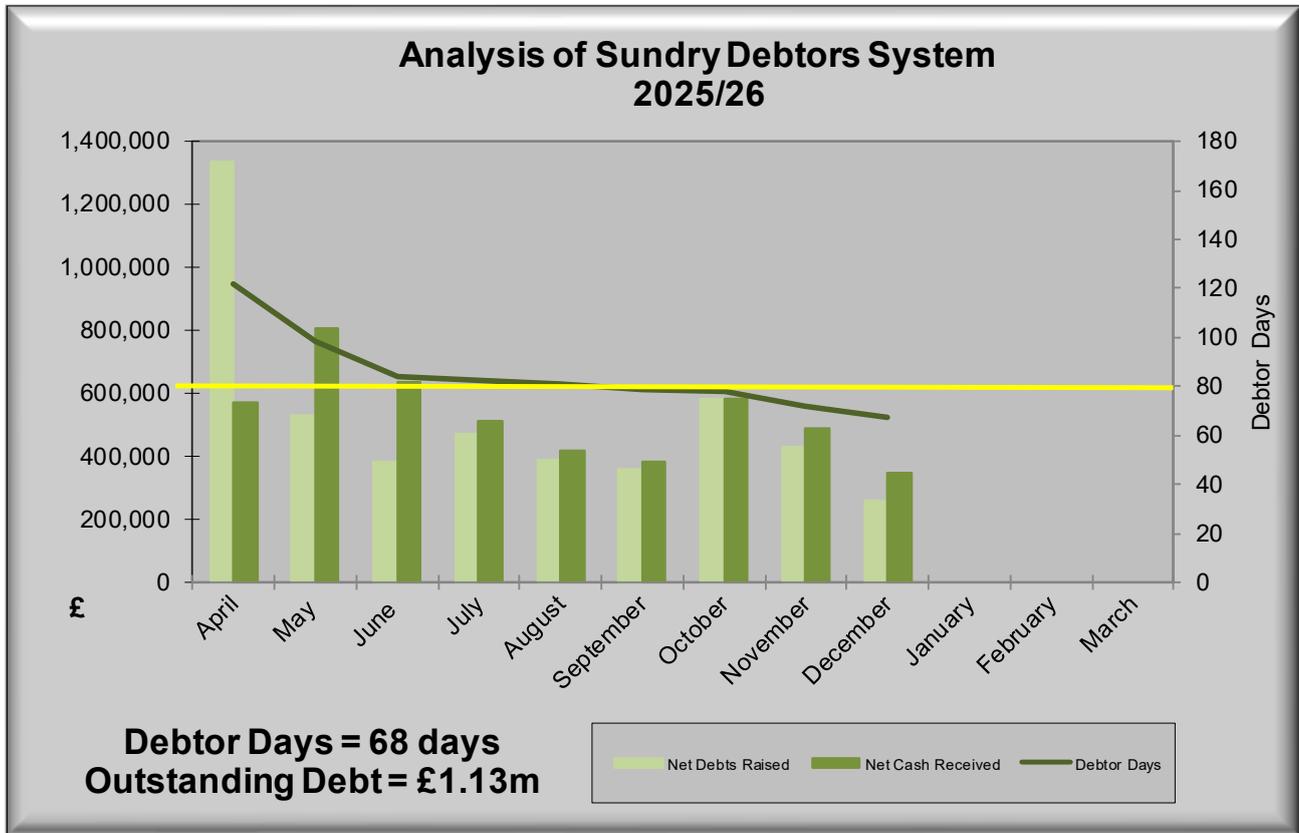
Ratio of financing costs to net revenue stream	Original 2025/26 £'000	Revised 2025/26 £'000
Interest Payable - Services	400	150
Interest Receivable	(225)	(700)
MRP	644	713
<b>Net cost of capital</b>	<b>819</b>	<b>163</b>
Net Revenue Stream	11,535	10,894
<b>Ratio of financing costs to net revenue stream</b>	<b>7.10%</b>	<b>1.50%</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	28
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

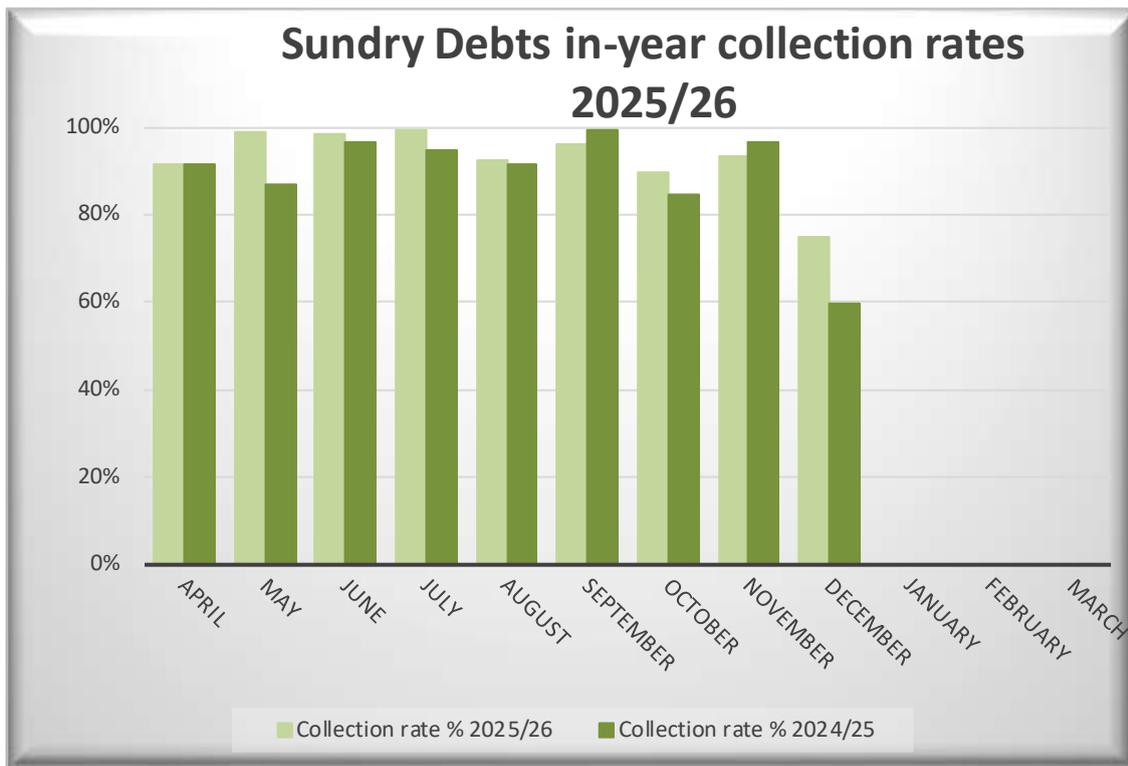
### Sundry Debts Monitoring

Invoices raised in the year, to the end of Q3 totalled £4,738k. As at December 2025, £321k (7%) of new debts raised in the year were considered outstanding or overdue resulting in a collection rate of 93%.



It should be noted that the high volume of net debts raised in April relates to the annual charges for trade waste and the annual rental of most industrial units.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	29
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	



**Doubtful Debts**

The debtor days in Q3, based on a rolling 12 month average has reduced from 79 days to 68 days, for collection of sums due. The target average is 80 days.

The Council has set aside sufficient sums in the event of non-recovery of ‘aged’ debt. The Council will consider any decision to write-off sums in due course following an analysis of recovery attempts e.g. Debtor has ‘gone away’ or sums are considered uneconomical to pursue further. Any such decision will be reported to Cabinet in accordance with the Council’s Constitution.

The Council has a provision of c. 83% for debts it considers to be at risk of remaining unpaid (impairment) and c. 50% for the total debt issued and considered overdue. The general impairment provision carried forward at 31<sup>st</sup> March 2025 is at £641.8k, plus a further £5.4k, which has been set aside for licensing debt.

Given the current collection performance at Q3, the current level of provision is considered adequate but will continue to be reviewed throughout the remainder of 2025/26.

The debts below exclude the Rossendale Leisure Trust Debt which stood at £1.365m as at 31<sup>st</sup> December 2025.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	30
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Debts Outstanding	Mar 2025	Jun 2025	Sept 2025	Dec 2025	Doubtful Debts at 31 Dec 2025	
	£000	£000	£000	£000	Rate	£000
Earlier Debt	46.2	46.1	46.1	45.8	100%	45.8
2017/18 Debt	63.3	63.2	63.1	63.1	100%	63.1
2018/19 Debt	38.7	39.2	39.2	39.2	100%	39.2
2019/20 Debt	16.8	16.9	15.8	12.7	100%	12.7
2020/21 Debt	109.2	107.8	107.8	107.6	100%	107.6
2021/22 Debt	38.4	38.2	38.3	38.3	100%	38.3
2022/23 Debt	91.0	83.0	82.1	80.5	100%	80.5
2023/24 Debt	192.6	165.7	161.6	158.2	75%	118.7
2024/25 Debt	437.4	228.1	173.8	148.2	50%	74.1
2025/26 Debt		447.9	402.9	167.6	15%	25.1
Q3 Oct				59.7	15%	9.0
Q3 Nov				28.7	15%	4.3
Q3 Dec				64.8	15%	9.7
<b>Total Debt o/s</b>	<b>1,033.6</b>	<b>1,236.1</b>	<b>1,130.7</b>	<b>1,014.4</b>		<b>628.1</b>

### Capital

#### Capital Resources

**Table 1 – 2025/26 Receipts**

Major Receipts:	Original Budget £000	Year to Date £000	Variance Fav/(Adv) £000
<b>Capital Receipts</b>			
Land & Property Sales	1,600	50	(1,551)
Obsolete Vehicles and Kit	-	92	92
<b>Net Receipts to Table 2</b>	<b>1,600</b>	<b>141</b>	<b>(1,459)</b>

**Table 2 - Useable Capital Resources**

Useable Capital Resources	£ 000
Balance at April 2025	2,141
Capital Grants in 2025/26	11,332
Capital Receipts used in 2025/26	640
	<b>14,113</b>
Revenue Contributions	
from Earmarked Reserves	-
from Revenue Operations	-
<b>Total Capital Resources 2025/26</b>	<b>14,113</b>
Capital Prog Funding Applied	(11,332)
<b>Total Capital Resources March 2026</b>	<b>2,781</b>
Capital Receipts Reserve (Whitworth)	38
Capital Receipts Reserve (Haslingden)	73
Capital Receipts Reserve (Unallocated)	2,670

### Capital Programme

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	31
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

The Capital Programme for 2025/26 (approved in February 2025) was £24,272k, this includes:

- £14,078k for the Capital Regeneration Programme;
- £6,000k for the Operations Infrastructure;
- £1,200k for the 3G Football pitch upgrade;
- £666k for the vehicle replacement programme;
- £528k for projects included in the Carbon Reduction Fund (reduced to £503k due to additional costs incurred at the end of 2024/25); and
- A provisional estimate of £1,000k for DFGs.

A further £8,510k (amended from £8,485k) of slippage had been included at the start of the year, relating to projects which were ongoing at the end of 2024/25, with prior year allocations not yet spent. This includes £1,792k relating to DFGs. Items of estimated slippage and the associated funding arrangements are shown in the table below.

The following are capital projects that have been approved in the current year (2025/26), giving an additional total of £3,105k, this includes:

- £805k relating to the purchase of properties for supported housing with additional funding from the Local Authority Housing Fund;
- £600k relating to the extension of Haslingden cemetery;
- £533k funding from Innovate relating to the Net Zero Terraced Streets project;
- £510k relating to funding from UKSPF. This is to be used to support projects such as Waterfoot and Green Streets;
- £184k increase relating to the Whitaker Park improvements project, with additional funding from the Lancashire Environmental Fund and the FCC Communities Foundation;
- £34k relating to the Building Heat Decarbonisation plan, with funding from the Low Carbon Skills Fund;
- The original 2025/26 estimate for DFG funding was £1,000k. An additional £439k has been added to the base programme, resulting in an actual grant received of £1,439k.

The revised Capital Programme, covering the full duration of the MTFs, will be updated to incorporate the timing variations outlined above, together with finalised slippage adjustments.

### **Financing the Capital Programme**

The Useable Capital Receipts Reserve holds the balance of the funds generated from the sale of Council assets. The balance brought forward at 1<sup>st</sup> April 2025 is £2,141k. This represents the most effective method of financing the planned Capital spend in 2025/26.

The total grant income expected for the approved capital programme is £11,332k (including DFGs). Current funding for the slippage brought forward into the 2025/26 capital programme, and the additional projects in 2025/26, consists of a mixture of resources, namely grants, capital receipts and (internal) borrowing. The most effective method of funding the Council's capital programme will be determined at the end of the financial year.

### **Current Issues**

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	32
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

- The costs associated with the maintenance and repair of Council buildings and specialised fleet vehicles continue to rise, putting increased pressure on the budget.
- The estimated completion time for the Capital Regeneration projects is expected to be March 2027, following a deadline extension.
- The work relating to the Operations Infrastructure will continue into 2026/27.

### Capital Programme Spending

Capital Programme 2025/26	Original Cap Prog	Revised Cap Prog	Spent (including Commitments)	Full-Year Forecast	Variance (Adv/Fav)	Estimated Slippage	Indicative Funding Arrangements			
	£000	£000	£000	£000	£000	£000	Grants/Contrib'n	Capital Receipts	S106/Reserves/RCCO	RBC Int Borrow
IT Software & Equipment	-	-	22	22	(22)	-	-	-	-	22
Operations	716	761	774	675	86	86	-	500	-	175
Communities	1,240	2,048	119	242	1,806	1,806	55	-	6	182
Housing	1,000	4,080	2,214	3,449	631	631	3,449	-	-	-
Henrietta Street Depot Improvements	-	-	13	13	(13)	-	-	-	-	13
Futures Park	-	33	-	33	-	-	-	-	-	33
Property Repairs & Maint	400	450	171	270	180	180	-	-	-	270
Car Parks General 22-26 MTFS	30	40	-	40	-	-	-	-	-	40
Haslingden 2040 NLHF	-	1,472	1,820	1,820	(348)	-	1,680	140	-	-
Haslingden Market (UKSPF)	-	-	11	11	(11)	-	11	-	-	-
Waterfoot (UKSPF)	-	220	124	220	-	-	220	-	-	-
Green Streets (UKSPF)	-	150	-	150	-	-	150	-	-	-
Rawtenstall Market Electrical Works	101	101	-	-	101	101	-	-	-	-
Carbon Reduction Fund	527	237	134	134	103	103	35	-	-	99
Net Zero Terraced Streets	-	533	355	533	-	-	533	-	-	-
PSDS Marl Pits Decarbonisation	-	300	46	100	200	200	100	-	-	-
Whitaker Park	80	409	186	409	-	-	139	-	-	270
Trickett's Memorial Ground	-	-	5	5	(5)	-	-	-	-	5
Food Waste Collections	-	528	424	528	-	-	528	-	-	-
Waste Transfer Station	6,000	6,000	457	500	5,500	5,500	-	-	-	500
Leisure Various	-	186	-	-	186	186	-	-	-	-
Legacy Liabilities	100	359	-	30	329	329	-	-	-	30
Capital Regeneration Projects (LUF)	14,078	17,980	1,920	4,432	13,548	13,548	4,432	-	-	-
	24,272	35,887	8,796	13,618	22,269	22,669	11,332	640	6	1,640

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	33
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Slippage items brought forward at the end of 2024/25	Costs £'000	Indicative Funding Arrangements			
		Grants/ Contrib'n	Capital Receipts	RCCO (reserves or S106)	RBC Int Borrow
<b>Communities Directorate</b>					
Edgeside Park	55				55
Football Pitch Upgrade	163	163			
<b>Subtotal Communities</b>	<b>218</b>	<b>163</b>	<b>-</b>	<b>-</b>	<b>55</b>
<b>Operations</b>					
Vehicles / Equipment	39				39
Food Waste Collections	528				528
<b>Subtotal Operations</b>	<b>567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>567</b>
<b>Economic Development Directorate</b>					
Leisure Facilities Upgrade	186				186
Haslingden 2040 NLHF	1,332	1,332			
Whitaker Park Parking (Includes Stubblee Parking)	10				10
Whitaker Park	95				95
General Building Renovations & Maintenance	50				50
Futures Park Infrastructure	33				33
Stubblee Park Drainage	40				40
Legacy Liabilities (Various Schemes)	241				241
<b>Subtotal Economic Development</b>	<b>1,987</b>	<b>1,332</b>	<b>-</b>	<b>-</b>	<b>655</b>
<b>Housing</b>					
DFGs - Mandatory Grants	1,792	1,792			
Supported Accommodation	44	44			
<b>Subtotal Housing</b>	<b>1,836</b>	<b>1,836</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Regeneration Projects</b>	<b>3,902</b>	<b>3,902</b>			
<b>Total</b>	<b>8,510</b>	<b>7,233</b>	<b>-</b>	<b>-</b>	<b>1,277</b>

### Minimum Revenue Provision (MRP)

Minimum Revenue Provision (MRP)	MRP Budget	Revised MRP	(Additions) /
	2025/26	Required 2025/26	Underspend
	£'000	£'000	2025/26
			£'000
Corporate	644	713	(69)
	<b>644</b>	<b>713</b>	<b>(69)</b>

MRP is the annual revenue repayment of internal funds used to support capital work.

Following a review of the capital programme, the MRP charge for 2025/26 was £69.0k higher than anticipated.

### Section 106 Receipts Monitoring

Responsible Section/Team	Financial Services	Page	34
Responsible Author	Head of Finance	Produced	19/02/2026
Dates covered in this review	2025/26 Monitoring	Next review	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

The value of S106 agreements brought forward on the 1<sup>st</sup> April 2025 was £604.5k. To the end of December 2025, there have been two S106 deposits totalling £250. There have also been four contributions amounting to £20.7k applied to projects. This leaves £833.9k held on the balance sheet, yet to be allocated.

<b><u>Section 106 Agreements 2025/26</u></b>	<b>Third Party Projects £'000</b>	<b>RBC Revenue Projects £'000</b>	<b>RBC Capital Projects £'000</b>	<b>Total Held £'000</b>
Balance b fwd at 1st April 2025	251.1	64.9	288.5	<b>604.5</b>
Deposits received in 2025/26	17.7		232.4	<b>250.1</b>
Deposits applied in 2025/26	(4.1)	(10.0)	(6.6)	<b>(20.7)</b>
<b>Current Balance</b>	<b>264.7</b>	<b>54.9</b>	<b>514.3</b>	<b>833.9</b>

<b><u>Section 106 Agreements in detail</u></b>	<b>Third Party Projects £'000</b>	<b>RBC Revenue Projects £'000</b>	<b>RBC Capital Projects £'000</b>	<b>Total Held £'000</b>
<b>Balance b fwd at 1st April 2025</b>	<b>251.1</b>	<b>64.9</b>	<b>288.5</b>	<b>604.5</b>
LIDL, Rawtenstall			232.4	<b>232.4</b>
Douglas Rd		(10.0)		<b>(10.0)</b>
Scout Moor	(3.2)			<b>(3.2)</b>
Scout Moor	(0.9)			<b>(0.9)</b>
Scout Moor	17.7			<b>17.7</b>
Reedsholme Works			(6.6)	<b>(6.6)</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	35
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

**Council Tax & NNDR Collection Rates**

Cumulative Collection	Council Tax							Business Rates						
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
April	10.51	10.04	10.90	10.44	10.11	10.09	10.10	12.22	10.24	8.60	12.78	12.79	12.17	9.25
May	19.70	18.96	19.70	19.44	19.48	19.04	19.03	21.07	18.89	16.20	31.81	21.29	20.42	17.19
June	28.63	27.62	28.70	28.35	28.19	27.89	27.88	28.68	25.62	24.30	28.16	28.19	28	25.44
July	37.86	36.56	37.66	37.21	37.09	36.96	36.81	37.37	33.92	33.96	35.83	36.52	36.83	35.37
August	46.90	45.24	46.71	46.21	46.01	45.05	45.90	50.82	48.55	47.63	47.86	51.19	49.1	48.57
September	56.01	54.29	55.43	55.64	54.92	54.93	54.51	58.34	57.84	56.05	55.54	58.11	58.14	56.80
October	65.23	63.29	71.16	64.55	64.03	63.36	63.42	67.52	68.97	64.90	64.73	65.99	65.08	65.08
November	74.78	72.30	78.43	73.49	72.93	72.93	72.16	74.26	77.15	73.09	74.88	74.92	74.41	73.1
December	83.33	80.90	82.12	82.25	81.50	80.96	80.92	82.70	85.92	81.41	81.91	81.93	82.7	81.41
January	92.48	89.90	90.96	91.22	91.05	90.25	89.82	90.91	90.17	89.30	94.79	90.27	91.17	89.23
February	94.60	92.37	93.43	93.85	93.37	93.12		95.00	93.66	95.13	94.73	94.23	94.68	
March	96.32	95.72	95.59	95.95	95.75	95.31		97.78	94.19	98.15	98.85	98.60	98.56	

Collection rates for Council Tax are reducing, it is likely that this is the result of the continuing cost of living crisis. This remains an area of focus into 2025/26 given the potential impact on future collection. However, the rates of decline are low and collection rates remain at relatively high levels.

For Business Rates, the situation is harder to gauge as collection rates were distorted in 2022/23 by the Covid relief, which the Government distributed. 2023/24 was also distorted by the transitional reliefs given to businesses, due to the Business Rates revaluation, which were applied in April 2023. As at the end of 2024/25, the collection rates were in line with previous years which is positive, and as at Q3, the level remains relatively high and is only slightly below average.

**Council Tax Collection Fund**

At the time of this report, the estimated surplus on the Council Tax collection fund is forecast at £1,335k. This includes a £500k provision for doubtful debts. This year RBC’s share of the Council Tax is 13.56%, equating to £175k of the forecast surplus.

Council Tax Forecast 2025/26	Q1 £'000	Q2 £'000	Q3 £'000
Council Tax Collectable (after Discounts & Exemptions)	53,288	53,168	53,116
less Doubtful Debt Provision	(500)	(500)	(500)
	<b>52,788</b>	<b>52,668</b>	<b>52,616</b>
less Precepts for 2023/24			
Lancashire County Council	(36,715)	(36,715)	(36,715)
Police	(5,868)	(5,868)	(5,868)
Fire	(1,898)	(1,898)	(1,898)
Rosendale Borough Council	(6,719)	(6,719)	(6,719)
Whitworth Town Council	(80)	(80)	(80)
	<b>(51,280)</b>	<b>(51,280)</b>	<b>(51,280)</b>
<b>Surplus / (Deficit)</b>	<b>1,508</b>	<b>1,388</b>	<b>1,335</b>
<b>RBC Share = 13.56%</b>	<b>204</b>	<b>182</b>	<b>175</b>

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	36
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

### Local Retention of Business Rates (NNDR)

Under the Business Rates scheme, variances from the original budgets fall into two categories – those arising from changes to the collection fund and those arising from grants and levies received or charged to the General Fund.

<b>Business Rates Collection Fund 2025/26 (50% Pool)</b>	<b>NNDR1 £000</b>	<b>Q1 £000</b>	<b>Q2 £000</b>	<b>Q3 £000</b>
Net Liability Due	15,241	14,890	15,164	15,004
Use of Appeals Provision	-	-	-	-
Less Cost of Collection Allowance	(97)	(97)	(97)	(97)
Less Doubtful Debt Provision	(300)	(300)	(300)	(300)
Less Appeals Provision	(500)	(500)	(500)	(500)
Less Renewables 100% to RBC	(291)	(291)	(291)	(291)
<b>Net NNDR due</b>	<b>14,053</b>	<b>13,702</b>	<b>13,976</b>	<b>13,816</b>
Transitional reliefs	248	248	248	248
Less Precepts	(14,301)	(14,301)	(14,301)	(14,301)
Cash Surplus/(Deficit)	-	(351)	(77)	(237)
<b>RBC Share = C x 40%</b>	-	(140)	(31)	(95)
Central Government share 50%		(176)	(39)	(118)
LCC and Fire share 10%		(35)	(8)	(24)

The Business Rates collection fund is predicting a deficit of £237k for 2025/26. The Council retains a share of any surplus or deficit arising at year-end, from activity on the fund, in the sum of 40%, thus the Council's share of the deficit will be £95k.

Whilst there is an adequate appeals provision within the Collection fund to cover the cash refund due on any appeals, the rateable value reduction of any successful valuation appeals will adversely affect the Council's in-year cashflow. This is because although the net liability due from the businesses has decreased, under existing legislation, the Council is required to make good its payments to major preceptors as originally assumed, despite a reduction in Collection Fund income. However, it should be noted that there are no outstanding appeals from the 2017 list.

<b>RBC General Fund / Pooling Gains</b>	<b>NNDR1 £000</b>	<b>Q1 £000</b>	<b>Q2 £000</b>	<b>Q3 £000</b>
Business Rates Income	14,301	13,950	14,224	14,064
RBC Share = 40%	5,720	5,580	5,690	5,626
less tariff paid to Lancashire Pool	(3,488)	(3,488)	(3,488)	(3,488)
add S31 Grants (for Levy calculation)	2,742	2,742	2,742	2,742
Subtotal	4,974	4,834	4,944	4,880
RBC Baseline Funding Level used in Budget	2,261	2,261	2,261	2,261
<b>Surplus for Levy Calculations</b>	<b>2,713</b>	<b>2,573</b>	<b>2,683</b>	<b>2,619</b>
Levy due for non Pool membership 50%	(1,357)	(1,286)	(1,341)	(1,309)
Levy payable as Pool member 10% of above	(136)	(129)	(134)	(131)
<b>Retained Levy through Pool membership</b>	<b>1,221</b>	<b>1,158</b>	<b>1,207</b>	<b>1,178</b>

The Council is part of the Lancashire Business Rates Pool. Each year the Council is subject to a

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	37
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

levy payment of 50% of calculated Business Rates growth, above its baseline funding level, as determined annually in the Local Government Finance Settlement. Membership of the Pool restricts this levy to 10% (of the 50% levy) and allows the Council to hold the balance as 'retained levy', thus reducing the total value of sums paid over to central Government, to apply locally. Therefore, in addition to the anticipated deficit the Council will generate as above, a pooling gain is estimated of £1,178k. The February 2025 MTFs included a contribution of an estimated pooling gain of £500k, the current forecast outturn position is a £678k surplus against that income budget.

Central government also gives authorities Section 31 grants to cover small business reliefs and other government-backed schemes. In the NNDR1 budget submission in January 2025 the estimate for those grants totalled £2,742k.

<b>Business Rates Summary</b>	<b>NNDR1 £000</b>	<b>Q1 £000</b>	<b>Q2 £000</b>	<b>Q3 £000</b>
Business Rates Surplus/(Deficit) 2024/25	2,713	2,573	2,683	2,619
less Lancashire Pooling Levy	(136)	(129)	(134)	(131)
Renewable Energy	291	291	291	228
<b>Overall Gain/(loss)</b>	<b>2,869</b>	<b>2,735</b>	<b>2,839</b>	<b>2,716</b>
Business Rates Retention Reserve Bfwd	1,028	1,028	1,028	1,028
Business Rates Cash Surplus/(Deficit) 2025/26	2,869	2,735	2,839	2,716
Less Budgeted Utilisation	-	-	-	-
<b>Total Retained Business Rates Resources C fwd</b>	<b>3,897</b>	<b>3,763</b>	<b>3,867</b>	<b>3,744</b>

The table shows the potential impact on the Business Rates Retention Reserve. At the end of Q4 it is anticipated that RBC will transfer an additional £1,086k (40% of £2,716k) in overall NNDR gain. This is primarily due to government awards to cover inflationary pressures which had not been accounted for in the MTFs. This is net of the gain on net renewable energy, which RBC have previously taken to the Energy reserve and it is anticipated the same will happen in 2025/26.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	38
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

# Monthly Financial Monitoring Report 2025/26 Q3 December 2025

## Glossary

### Accrual

An adjustment at year-end to charge costs or income due in the old year, regardless of whether the cash has been paid or received. Accounts are prepared on an accruals basis in order to match the income for each financial year with the costs attributable to the same time period.

### Capital expenditure

Spending on the acquisition or maintenance of assets either directly by the Council or indirectly in the form of grants to other persons or bodies. Expenditure that does not fall within the definition must be charged to a revenue account.

### Capital Grants Received in Advance

Grants received in cash during the year, but not spent or committed, are held on the Balance Sheet in the Short-term Liabilities area as Capital Grants Received in Advance, acknowledging the potential requirement to pay these grants back should the related project not go ahead or underspend.

### Capital Receipts

Proceeds from the sale of fixed assets, such as land or buildings, or the repayment of capital grants or advances. These funds form part of the Council's Useable Reserves, though they are ring-fenced for capital projects rather than revenue costs.

### Cash & Cash Equivalents

Cash deposits are those which provide instant access to the funds without significant penalty or loss of interest. For the Council this is the balance on the NatWest accounts and two other instant access accounts with Lloyds and Handelsbanken. This is in comparison to short- and long-term *Investments* in which funds are untouchable during the life of the deposit.

### Collection Fund

Rossendale Borough council collects funds on behalf of other precepting bodies, Lancashire County Council, Fire and Police as well as central government and Whitworth Town Council from domestic and commercial properties in the borough. These amounts are formally ring fenced in the Collection Fund and then distributed amongst the precepting bodies in line with their demands as set in the annual budget setting meeting. At the end of the year each precepting body has their share of the arrears, the doubtful debt provision or appeals provision and the accumulated surplus or deficit. Rossendale Borough Council accounts for its own share, but holds the other preceptors shares separately on an agency basis. Hence, within the Council Tax and Business Rates monitoring members will see the overall position and the RBC share clearly identified.

### Consumer Price Index (CPI)

The consumer price index (CPI) is a measure estimating the average price of consumer goods and services purchased by households. It is a price index determined by measuring the price of a standard group of goods meant to represent the typical market basket of a typical urban consumer and how this changed in the previous 12 months.

### Earmarked Reserves

Cash-backed funds identified to fund specific projects in the future.

### Full Time Equivalent (FTE)

Each full-time post within the Council works 37 hours per week. Part-time posts are expressed in relation to this, for example a post working 4 days a week would be 0.8FTE.

### General Fund

The main revenue fund of the Council.

### Grants Unapplied

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	39
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	

## Monthly Financial Monitoring Report 2025/26 Q3 December 2025

Unlike Capital Grants Received in Advance, there is no requirement to repayment of these grants. The unspent balance will be released into capital or revenue in the coming years as projects come online. These funds form part of the Council's Useable Reserves.

### Investments

The Council invests surplus cash in short- and long-term deposits in accordance with the Treasury Management Strategy and Practices revised in February each year. In this context short-term includes anything up to 365 days, and long-term is for more than one year. Funds deposited in such investments are not accessible until the end of the agreed terms.

### MUFG Corporate Markets (formerly Link Asset Services)

Link Asset Services (formerly Capita & Sector) is the company which provides the Council with Treasury Management advice, including daily market reports and predictions, credit rating updates, interest rate forecasts and annual reviews of our strategy and practices ahead of the February reports to Full Council.

### Medium Term Financial Strategy (MTFS)

The Council's financial planning document for the foreseeable future.

### Minimum Revenue Provision (MRP)

The minimum amount which must be charged to the Council's revenue account each year and set aside as provision for credit liabilities, as required by the Local Government and Housing Act 1989.

### Ministry of Housing, Communities and Local Government (MHCLG)

The former Department of Communities and Local Government (DCLG) and Department for Levelling Up, Housing and Communities (DLUHC) has been redesignated as the Ministry of Housing, Communities and Local Government, or MHCLG.

### National non-domestic rates - now Business Rates (NNDR)

National non-domestic rates for commercial premises are set annually by the government and collected by all local authorities. The localisation of business rates in April 2013 meant that the National pool no longer exists, but the acronym NNDR is still widely used in local government circles.

### Provision

Cash 'put aside' for expenditure on an intended project which has not commenced or is not complete at the year-end, but which has been contractually committed.

### Provisional

Best forecast given current knowledge.

### Public Works Loans Board (PWLB)

The PWLB is a central government statutory body which lends funds to local authorities with advantageous interest rates. Interest rates are published daily and local authorities provide the PWLB with annual estimates of cash requirements in return for certainty on the availability of funds and the interest rates being charged.

### Reserve

Amounts included in one financial year's accounts to provide for payment for goods or services, whether revenue or capital, in a future financial year.

### Revenue account

An account that records an authority's day-to-day expenditure and income on such items as salaries and wages and other running costs of services.

### Section 106 Agreement

Planning agreement whereby developers make a contribution towards specific projects linked to their development as a condition of planning application approval. Deposits may be for revenue or capital schemes, but application of the funds are dependent on firstly the developer, and then the Council, pursuing the projects specified within the agreement.

<b>Responsible Section/Team</b>	Financial Services	<b>Page</b>	40
<b>Responsible Author</b>	Head of Finance	<b>Produced</b>	19/02/2026
<b>Dates covered in this review</b>	2025/26 Monitoring	<b>Next review</b>	