

APPENDIX 1 – REVENUE BUDGET 2024/25 AND MEDIUM-TERM FINANCIAL POSITION

This Appendix sets out a summary of the Council wide revenue budget for 2024/25 in the table that follows and also the forecast finance position for the following three years.

The Council aligns its financial strategy with its ambitions through a rolling three-year cycle of business planning. The current Medium Term Financial Strategy was published in July 2023 alongside the Council Plan Action Plan.

The MTFs can be found at this link on the Council's website at [Tri-Borough Executive Decision Report \(moderngov.co.uk\)](https://www.moderngov.co.uk/2023/07/27/tri-borough-executive-decision-report)

The aim of the financial strategy is to:

- Plan the Council's finances over the next four years, taking account of both the local and national context;
- Provide the financial framework for the delivery of the Council's priorities and ensure that these priorities drive the financial strategy – allocating our financial resources whilst also responding to the pandemic both now and over the next few years; and
- Manage and mitigate future budget risks by forward planning and holding reserves as appropriate;

The MTFs is subject to continuous review and refinement in the light of latest information as it emerges. The budget position for the next four years, showing the latest resource projections and estimates of expenditure, is set out in the following table.

The next update to the Medium-Term Financial Strategy will be in summer 2024.

DESCRIPTION	Agreed Budget 2023/24 £'000	Draft Budget 2024/25 £'000	Forecast Budget 2025/26 £'000	Forecast Budget 2026/27 £'000	Forecast Budget 2027/28 £'000
Service Budgets					
Adult Social Care and Public Health	38,319	45,231	48,033	49,055	51,421
Children's Services	47,195	49,454	51,256	52,447	54,074
Environment and Neighbourhoods	23,658	18,898	22,281	22,883	23,526
Housing and Social Investment	26,238	20,560	21,914	22,167	23,090
Chief Executive	4,557	12,653	13,957	14,581	15,213
Resources and Customer Delivery	19,548	15,405	15,909	15,668	16,437
Service Budgets Total	159,515	162,201	173,350	176,802	183,761
Grenfell Recovery	8,169	5,747	2,810	0	0
Delivery of Grenfell work	0	680	680	680	680
Corporate Contingency	3,718	0	3,718	3,718	3,718
Social Care Contingency	0	1,805	0	0	0
Grenfell corporate costs	1,596	1,180	1,180	1,180	1,180
Centrally held budgets	7,905	12,050	14,578	16,468	18,373
Net Cost of Services	180,902	183,662	196,315	198,848	207,712
External Interest	4,459	7,232	9,390	10,095	10,715
Capital Adjustment Account	(5,344)	(2,930)	(1,881)	(881)	(568)
Interest and Investment Income	(7,452)	(2,713)	(2,566)	(2,292)	(2,292)
Net Operating Expenditure	172,566	185,250	201,257	205,769	215,566
Grenfell Reserve	(5,669)	(5,747)	(2,810)	0	0
Other	8,671	4,686	(3,910)	(3,910)	(3,910)
Transfers to (+)/from(-) reserves	3,002	(1,061)	(6,720)	(3,910)	(3,910)
TOTAL EXCLUDING LEVIES	175,568	184,189	194,537	201,859	211,656
Levies					
London Boroughs Grants Scheme	116	110	112	115	117
Environment Agency	231	236	240	245	250
London Pensions Fund Authority	1,382	1,409	1,438	1,466	1,496
Garden Squares	2,032	2,174	2,215	2,258	2,301
Taxi cards	239	244	249	254	259
Concessionary fares	5,825	7,473	9,125	10,307	10,750
Total Levies	9,824	11,646	13,380	14,645	15,173
BUDGET REQUIREMENT	185,392	195,836	207,917	216,504	226,829
FUNDING BY					
Revenue Support Grant	(11,919)	(12,709)	(12,709)	(12,709)	(12,709)
New Homes Bonus	(14)	(35)	(35)	(35)	(35)
Adult social care grant	(8,530)	(18,339)	(8,530)	(8,530)	(8,530)

DESCRIPTION	Agreed Budget 2023/24 £'000	Draft Budget 2024/25 £'000	Forecast Budget 2025/26 £'000	Forecast Budget 2026/27 £'000	Forecast Budget 2027/28 £'000
Retained Business Rates	(56,636)	(57,728)	(57,728)	(57,728)	(57,728)
Collection Fund (Surplus)/Deficit	852	(2,000)	(2,000)	0	0
New & additional grants	(10,617)	(368)	(368)	(368)	(368)
TOTAL EXTERNAL FUNDING	(86,864)	(91,179)	(81,370)	(79,370)	(79,370)
RBKC COUNCIL TAX REQUIREMENT	98,529	104,657	126,547	137,135	147,460
ESTIMATED COUNCIL TAX INCOME BUDGET (Surplus)/Gap- Cumulative	(98,529)	(104,657)	(107,587)	(111,355)	(115,254)
BUDGET (Surplus)/Gap- In Year		0	18,961	25,780	32,206
		0	18,961	6,818	6,426