

Crawley Borough Council

Full Council
21 February 2024

Amendment 1 to 2024/2025 Budget and Council Tax – Recommendation 1

Report of the Head of Corporate Finance (s151 officer) FIN/650

1. Purpose

- 1.1. To amend Recommendation 1 a) of the 2024/2025 Budget and Council Tax report FIN/642.
- 1.2. This is to reflect the final Local Government Finance Settlement for 2024/2025 published on the 5 February 2024.

2. Recommendation

- 2.1. The Full Council is recommended to approve the amendment to Recommendation 1 a) in FIN/642 as set out below

Approve the proposed 2024/25 General Fund Budget which includes using £1,065,439 of general fund reserve as set out in 4.2 below.

Replaced

Approve the proposed 2024/25 General Fund Budget which includes using £1,202,470 of general fund reserve as set out in section 6 (of FIN/642).

3. Reasons for the Recommendation

- 3.1. On 5 February 2024, the Secretary of State for the Department for Levelling Up, Housing and Communities released a written statement to Parliament on the final local government finance settlement 2024-25.
- 3.2. The final settlement contained a number of changes to the provisional settlement contained in the budget papers submitted to Overview and Scrutiny Commission on the 29 January 2024 and Cabinet on the 31 January 2024. The Budget Seminar on 8 February 2024 informed Members of these changes.

4. Changes to 2024/24 Budget Gap as a result of the final settlement

- 4.1. The changes resulted in extra grant funding to the Council as summarised below:

Funding changes as part of the final 2024/25 local government finance settlement	Additional grant £
Services grant – increased grant pot distributed	2,251
Funding guarantee - allocations have been updated to reflect a higher 4% guarantee level resulting in an	134,780
Total extra funding	137,031

4.2. The impact of the final settlement is to reduce the budget gap in table 2 of FIN/642 as below:

	£'000
Budget gap table 2 FIN/642	1,202,470
Extra funding from final settlement	137,031
Amended budget gap	1,065,439

4.3. In addition the Government also confirmed:

- Funding will be released from the safety net and levy account in 2023/24 on a one-off basis, distributed using 2013/14 settlement funding assessment shares. This amounts to an extra £31k for the Council.
- Compensation for green business rates exemptions. The allocations for Crawley are – 2022/23 £58k and 2023/24 £61k

The impact of these extra grants is to increase the estimated General Fund Balance as at 31/03/24 as follows:

	£'000
Estimated General Fund balance as at 31/3/24 reported in FIN/642	3,328
Additional grants final settlement	150
Estimated available balance 31/3/2024	3,478

5. Background Papers

2024/2025 Budget and Council Tax FIN/642
[2024-2025 Budget and Council Tax.pdf \(crawley.gov.uk\)](#)

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