

This report is public	
Monthly Performance Report	
Committee	Budget Planning Committee
Date of Committee	29 October 2024
Portfolio Holder presenting the report	Councillor Lesley McLean, Portfolio Holder for Finance, Property and Regeneration
Date Portfolio Holder agreed report	23 September 2024
Report of	Assistant Director of Finance (S151 Officer), Michael Furness

Purpose of report

To report to the committee the council's performance, risk, and financial positions at the end of the financial year 2024-2025.

1. Recommendations

The Budget Planning Committee resolves:

1.1 To note the contents of this report.

2. Executive Summary

2.1 CDC monitors its financial position on a monthly basis. This report provides the forecast outturn position for the year end based on the position as at 31 August 2024.

Implications & Impact Assessments

Implications	Commentary			
Finance	Financial and Resource implications are detailed within sections 4.1 and 4.2 of this report. The reserves policy requires Executive to agree transfers to and from earmarked reserves and general balances during the financial year. Joanne Kaye, Head of Finance, 18/10/2024			
Legal	There are no direct legal implications arising from this report but as a matter of good governance, members have an oversight and assurance role on the outturn position. Shahin Ismail, Interim Head of Legal Services. Shahin.ismail@cherwell-dc.gov.uk , 18 October 2024			
Risk Management	There are no risk implications arising directly from this report Celia Prado-Teeling, Performance Team Leader, 18 October 2024			
Impact Assessments	Positive	Neutral	Negative	Commentary

Equality Impact		X		There are no equality implications arising directly as a consequence of this report Celia Prado-Teeling, Performance Team Leader, 18 October 2024
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Climate & Environmental Impact		X		N/A
ICT & Digital Impact		X		N/A
Data Impact		X		N/A
Procurement & subsidy		X		N/A
Council Priorities	N/A			
Human Resources	N/A			
Property	N/A			
Consultation & Engagement	This report sets out the financial forecast for the financial year ended 31 March 2025, therefore no formal consultation or engagement is required.			

Supporting Information

3. Background

- 3.1 The council actively and regularly monitors its performance, risk, and financial positions to ensure it can deliver its corporate priorities and respond effectively to emerging issues.
- 3.2 This monitoring takes place at least monthly for the finance element and quarterly for performance and risk, so the council can identify potential issues at the earliest opportunity and put measures in place to mitigate them.

4. Details

- 4.1 The council's forecast outturn position for 2024/2025 is an overspend of £0.208m which shows an improvement of (£0.104m) from the first quarter's forecast. The forecast overspend is due to various factors across services and is summarised in Table 1 below. Further details can be found in Appendix 2. A number of pressures have begun to be forecast but swift action has been taken to reduce these or identify mitigations. The Corporate Leadership Team (CLT) has agreed that a Budget Oversight Group will meet with service managers each month where overspends are identified to agree in-year mitigation plans AND TO FURTHER STRENGTHEN BUDGET MANAGEMENT AND FORECASTING.

Table 1: Year End Position

Service	Original Budget £m	Current Budget £m	August Forecast Outturn £m	August Variance (Under) / Over £m	% Variance to current budget %	June Variance (Under) / Over £m	Change since Previous (better) / worse £m	
Finance	3.039	3.031	3.031	0.000	0.0%	0.000	0.000	
Legal, Democratic, Elections & Procurement	2.265	2.305	2.384	0.079	3.4%	0.129	(0.050)	
ICT	1.510	1.510	1.510	0.000	0.0%	0.000	0.000	
Property	(2.432)	(2.432)	(2.357)	0.075	-3.1%	0.100	(0.025)	
HR & OD	0.779	0.789	0.819	0.030	3.8%	0.050	(0.020)	
Customer Focus	2.518	2.518	2.398	(0.120)	-4.8%	(0.080)	(0.040)	
Resources & Transformation	9.719	9.801	7.785	0.064	2.0%	0.199	(0.135)	
Planning & Development	1.738	1.738	1.889	0.151	8.7%	0.100	0.051	
Growth & Economy	0.477	0.466	0.466	0.000	0.0%	0.000	0.000	
Environmental	5.665	5.676	5.819	0.143	2.5%	0.000	0.143	
Regulatory	1.116	1.116	1.116	0.000	0.0%	0.000	0.000	
Wellbeing & Housing	2.040	2.080	2.045	(0.035)	-1.7%	0.000	(0.035)	
Communities	11.036	11.076	11.335	0.259	2.3%	0.100	0.159	
Subtotal for Directorates	18.715	18.797	19.120	0.323	1.6%	0.299	0.024	
Executive Matters	4.293	4.293	4.178	(0.115)	-2.7%	0.013	(0.128)	
Policy Contingency	3.979	3.897	3.897	0.000	0.0%	0.000	0.000	
Total	26.987	26.987	27.195	0.208	1.2%	0.312	(0.104)	
FUNDING	(26.987)	(26.987)	(26.987)	0.000	0.0%	0.000	0.000	
(Surplus)/Deficit Before proposed Transfers to reserves	0.000	0.000	0.208	0.208		0.312	(0.104)	

Note: A positive variance is an overspend or a reduction in forecast income and a (negative) is an underspend or extra income received. Green represents an underspend and red represents a overspend for the current month's forecast.

4.1.2 Table 2 below analyses the variances to distinguish between base budget variances and variances resulting from the non-delivery of previously approved savings. The non-delivery of savings has a knock-on impact on the Medium-Term Financial Strategy as failure to deliver on an ongoing basis adds to future pressures.

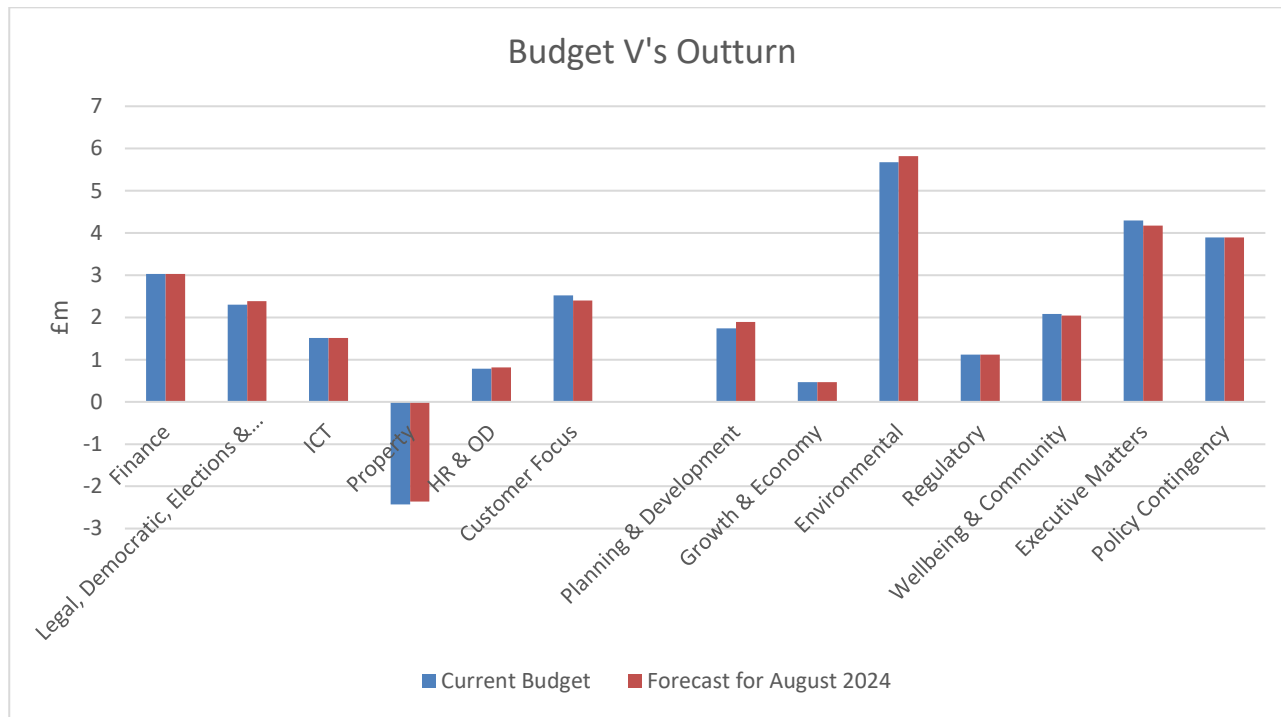
Table 2: Analysis of Forecast Variance – August 2024

Breakdown of current month forecast	August 2024 Forecast	Base Budget Over/ (Under)	Savings Non-Delivery
	£m	£m	£m
Resources	0.064	0.001	0.063
Communities	0.259	(0.158)	0.417
Subtotal Directorates	0.323	(0.157)	0.480
Executive Matters	(0.115)	(0.115)	0.000
Policy Contingency	0.000	0.000	0.000
Total	0.208	(0.272)	0.480
FUNDING	0.000	0.000	0.000
(Surplus)/Deficit	0.208	(0.272)	0.480

4.1.3 The graph below shows the Budget compared with the forecast to the end of the financial year.

Graph 1: Budget compared with Forecast

The graph below shows the Budget compared with the forecast to the end of the financial year.



4.1.4 Table 3 below summarises the major forecast variances for the reporting period. Further details can be found in Appendix 2.

Table 4: Top Major Variances:

Service	Current Budget	Variance	% Variance
Planning & Development	1.738	0.151	8.7%
Environmental	5.676	0.143	2.5%
Legal, Democratic, Elections & Procurement	2.305	0.079	3.4%
Property	(2.432)	0.075	-3.1%
Total	7.287	0.448	

Aged Debt Write Off:

4.1.5 The financial regulations make provision for writing off debts that are bad, uneconomical to collect or deemed irrecoverable. The council maintains a number of bad debt provisions in the anticipation that some debts will become bad and these, once agreed, are charged to the relevant provision or cost centre. There is a provision within the council for sundry bad debt totalling £1.547m that is reviewed on a regular basis to ensure that it is sufficient.

4.1.6 The table below summarises the write offs as at the end of August. Further details and a profile of the age of the council's debt can be found in Appendix 3.

Table 4: Summary Write Offs

	£m
Sundry Debt	0.305
Housing Benefit	0.010
Council Tax	0.032
Non-Domestic Rates	0.057
Total	0.404

Reserves

4.1.7 Allocations to and from reserves are made according to the Reserves Policy. Table 5 below summarises the movements which have been requested in August 2024, further detail is provided in Appendix 5.

Table 5: Earmarked Reserves:

Reserves	Balance 1 April 2024	Original Budgeted use/ (contribution)	Changes agreed since budget setting	Changes proposed August 2024	Forecast Balance 31 March 2025
	£m	£m	£m	£m	£m
General Balance	(6.153)	0.000	0.000	0.000	(6.153)
Earmarked	(28.325)	(0.776)	0.197	0.279	(28.625)
Ringfenced Grant	(2.552)	0.898	0.351	0.071	(1.232)
Subtotal Revenue	(37.030)	0.122	0.548	0.350	(36.010)
Capital	(6.293)	3.250	0.000	0.000	(3.043)
Total	(43.323)	3.372	0.548	0.350	(39.053)

*According to the Reserves Policy Executive are only required to approve uses of Capital Reserves, not contributions.

Please see appendix 5 for reserve requests.

4.2 Capital

4.2.1 Table 6 below summarises the projected year end forecast for profiled spend in 2024/25 and Table 7 summarises the financing. There is a projected in-year underspend of (£4.596m), of which £3.765m is recommended to be reprofiled into future years. Projects that are recommended to have budget reprofiled from 2024/25 are detailed in Table 9.

Table 6: Capital Projection

Directorate	Revised Budget £m	Forecast Spend 24/25 £m	Re-profiled beyond 2024/25 £m	Variance to Budget £m	Prior Month Variance to Budget £m
Resources & Transformation	10.627	8.602	1.987	(0.038)	(0.245)
Communities	11.728	9.156	1.778	(0.794)	(0.438)
Total	22.355	17.758	3.765	(0.831)	(0.683)

For further detail on individual schemes please see Appendix 1.

Table 7: How the Capital Programme is financed

Financing	24/25 Budget £m	Future Years £m	Total
Borrowing	17.857	7.880	25.737
Capital Grants	2.096	9.011	11.107
Capital Receipts	0.425	5.250	5.675
S106 Receipts	1.977	3.082	5.059
	22.355	25.223	47.578

4.2.2 Table 8 below summarises the projected spend against the full capital programme (i.e. all years spend). The Digital Futures project was approved in Feb 2024 for innovation schemes as they come forward. From this pot £0.133m has been allocated to support a pilot scheme for delivering Robotic Process Automation (RPA). This will leave £0.217m to be allocated to other projects subject to approved business cases. At this stage the projection assumes full allocation and spend in year. Since the previous report, two schemes are now reporting overspends greater than 5% or £0.050m. They are the Sunshine Centre and Bicester East Community Centre; therefore, in line with the Financial Procedure Rules an update to Executive will be prepared with an update on why the projects are overspending.

Table 8: Total Capital Project Outturn

Directorate	Budget £m	Total Forecast 2024/25 £m	Variance to Budget £m	Prior Month Variance to Budget £m
Resources & Transformation	14.761	14.723	(0.038)	(0.245)

Communities	32.817	32.023	(0.793)	(0.438)
Total	47.578	46.746	(0.831)	(0.683)

4.2.3 Table 9 below details the capital schemes which it is recommended budgets are reprofiled from 2024/25 to 2025/26 or beyond. The reprofiling of capital budgets can be for a number of reasons and is common on multi-year projects. The reasons for the recommendations are summarised in section 4.2.4.

Table 9: Requested capital budget reprofiling

Code	Requested capital budget reprofiling	Budget Total £'000	Reprofile beyond 24/25 £'000	In year Budget Variance %
40278	Development of New Land Bicester Depot	2.022	1.937	96%
40028	Vehicle Replacement Programme	2.662	1.589	60%
40258	Kidlington Public Convenience Refurbishment	0.090	0.090	100%
40222	Burnehyll- Bicester Country Park	0.124	0.064	52%
40249	Retained Land	0.050	0.050	100%
40218	Depot Fuel System Renewal	0.035	0.035	100%
		4.983	3.765	

4.2.4 Capital schemes recommended to be reprofiled:

- Development of New Land Bicester Depot (40278)
£1.937m budget to be reprofiled into 2025/26. The designers are appointed and Consultation on proposed layouts for the new depot are taking place with user groups. A Planning application is being prepared, however an ecological survey and protected species survey will be required to be submitted with this application and we have been unable to obtain these services, due to high demand for Ecologists, until October. This has resulted in a delay of 4 months to our original programme and consequent re-profiling of the capital budget as the anticipated completion is impacted by the delay to Planning approval.
- Vehicle Replacement Programme (40028)
£1.589m budget to be reprofiled in to 2025/26. Reprofiling required due to vehicle delivery lead times and delay to electrification of fleet.
- Kidlington Public Convenience Refurbishment (40258)
£0.090m Budget to be reprofiled in to 2025/26. An evaluation of requirements is required.
- Burnehyll – Bicester Country Park (40222)
£0.064m Budget to be reprofiled in to 2025/26.
- Depot Fuel System Renewal (40218)
£0.035m Budget to be reprofiled in to 2025/26. This project will be reviewed as the new Bicester Depot site progresses.

- Retained Land (40249)
£0.050m budget to be reprofiled to 20225/26. Surveys are complete and works have been prioritised, but works have been delayed due to our shortage of resource/staff to prepare works specification and obtain quotations.

5. Alternative Options and Reasons for Rejection

5.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: This report summarises the council's forecast financial position up to the end of March 2025, therefore there are no alternative options to consider.

6 Conclusion and Reasons for Recommendations

6.1 It is recommended that the contents of the report are noted.

Decision Information

Key Decision	No
Subject to Call in	Yes
If not, why not subject to call in	N/A
Ward(s) Affected	All

Document Information

Appendices	
Appendix 1	Capital August 2024
Appendix 2	Detailed Revenue Narrative on Forecast August 2024
Appendix 3	Virements and Aged Debt August 2024
Appendix 4	Funding August 2024
Appendix 5	Use of Reserves and Grant Funding August 2024
Background Papers	N/A
Reference Papers	N/A
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