

<b>This report is public</b>	
<b>Monthly Performance Report</b>	
<b>Committee</b>	Budget Planning Committee
<b>Date of Committee</b>	10 December 2024
<b>Portfolio Holder presenting the report</b>	Councillor Lesley McLean
<b>Date Portfolio Holder agreed report</b>	27 November 2024
<b>Report of</b>	Assistant Director of Finance, 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 October 2024.

#### Implications & Impact Assessments

<b>Implications</b>	<b>Commentary</b>			
<b>Finance</b>	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, 20/11/2024			
<b>Legal</b>	There are no direct legal implications arising from this report Shahin Ismail, Legal Services Manager, 25 November 2024			
<b>Risk Management</b>	There are no risks implications arising directly from this report. Celia Prado-Teeling, Performance & Insight Team Leader, 25 November 2024			
<b>Impact Assessments</b>	Positive	Neutral	Negative	Commentary
<b>Equality Impact</b>		X		There are no equalities implications arising directly from this report.

				Celia Prado-Teeling, Performance & Insight Team Leader, 25 November 2024
<b>A</b> Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
<b>B</b> Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
<b>Climate &amp; Environmental Impact</b>		X		N/A
<b>ICT &amp; Digital Impact</b>		X		N/A
<b>Data Impact</b>		X		N/A
<b>Procurement &amp; subsidy</b>		X		N/A
<b>Council Priorities</b>	N/A			
<b>Human Resources</b>	N/A			
<b>Property</b>	N/A			
<b>Consultation &amp; Engagement</b>	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 financial position 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

4.1.1 The council's overall forecast outturn position for 2024/25 is an overspend of £0.248m. This is after a total proposed transfer to reserves of £0.522m from a windfall surplus relating to Treasury Management income. Without the transfer to reserves there would be an overall forecast underspend of (£0.274m). The forecast overspend is due to pressures totalling £0.363m within service budgets which are being offset by an underspend in Executive Matters. 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. The projected outturn for the services is summarised below in Table 1 and further details providing explanations for variances can be found in Appendix 2.

**Table 1: Year End Position**

Service	Original Budget £m	Current Budget £m	October Forecast Outturn £m	October Variance (Under) / Over £m	% Variance to current budget %	September 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	2.424	0.119	5.2%	0.109	0.010
ICT	1.510	1.510	1.510	0.000	0.0%	0.000	0.000
Property	(2.432)	(2.432)	(2.348)	0.084	-3.5%	0.075	0.009
HR & OD	0.779	0.789	0.819	0.030	3.8%	0.030	0.000
Customer Focus	2.518	2.518	2.428	(0.090)	-3.6%	(0.090)	0.000
<b>Resources &amp; Transformation</b>	<b>7.679</b>	<b>7.721</b>	<b>7.864</b>	<b>0.143</b>	<b>1.9%</b>	<b>0.124</b>	<b>0.019</b>
Planning & Development	1.738	1.738	1.852	0.114	6.6%	0.080	0.034
Growth & Economy	0.477	0.466	0.479	0.013	2.8%	0.013	0.000
Environmental	5.665	5.681	5.890	0.209	3.7%	0.143	0.066
Regulatory	1.116	1.116	1.100	(0.016)	-1.4%	0.000	(0.016)
Wellbeing & Housing	2.040	2.150	2.050	(0.100)	-4.7%	(0.100)	0.000
<b>Communities</b>	<b>11.036</b>	<b>11.151</b>	<b>11.371</b>	<b>0.220</b>	<b>2.0%</b>	<b>0.136</b>	<b>0.084</b>
<b>Subtotal for Directorates</b>	<b>18.715</b>	<b>18.872</b>	<b>19.235</b>	<b>0.363</b>	<b>1.9%</b>	<b>0.260</b>	<b>0.103</b>
Executive Matters	4.293	4.293	4.178	(0.115)	-2.7%	(0.115)	0.000
Policy Contingency	3.979	3.822	3.822	0.000	0.0%	0.000	0.000
<b>Total</b>	<b>26.987</b>	<b>26.987</b>	<b>27.235</b>	<b>0.248</b>	<b>0.9%</b>	<b>0.145</b>	<b>0.103</b>
<b>FUNDING</b>	<b>(26.987)</b>	<b>(26.987)</b>	<b>(26.987)</b>	<b>0.000</b>	<b>0.0%</b>	<b>0.000</b>	<b>0.000</b>
<b>(Surplus)/Deficit Before proposed Transfers to reserves</b>	<b>0.000</b>	<b>0.000</b>	<b>0.248</b>	<b>0.248</b>		<b>0.145</b>	<b>0.103</b>

**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.

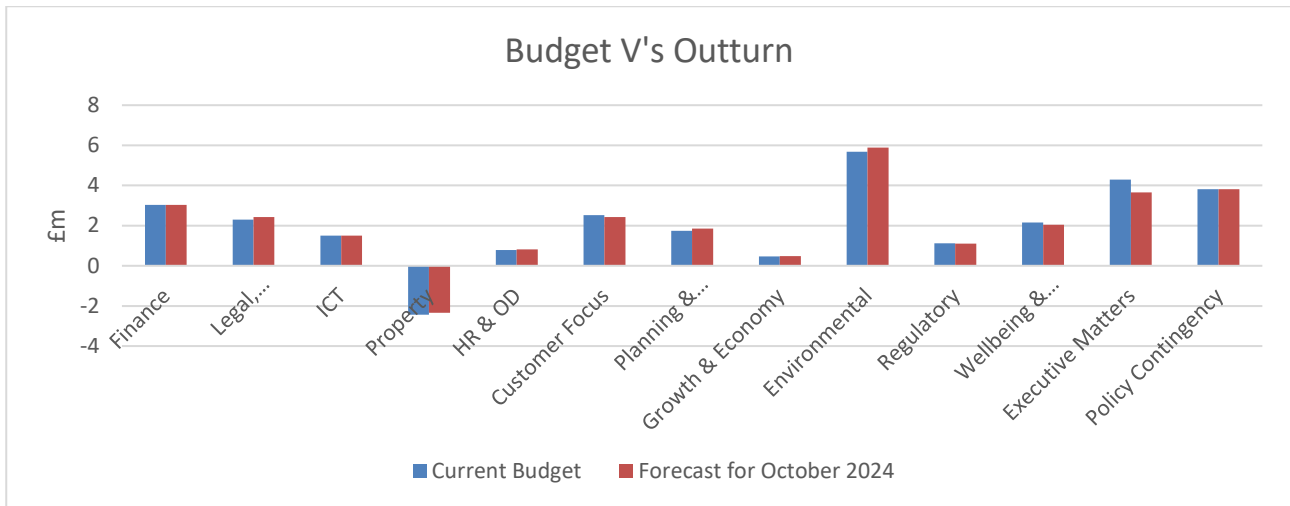
**Table 2:** Analysis of Forecast Variance – October 2024

<b>Breakdown of current month forecast</b>	<b>October 2024 Forecast</b>	<b>Base Budget Over/ (Under)</b>	<b>Savings Non-Delivery</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Resources	0.143	0.081	0.063
Communities	0.220	(0.187)	0.407
<b>Subtotal Directorates</b>	<b>0.363</b>	<b>(0.107)</b>	<b>0.470</b>
Executive Matters	(0.115)	(0.115)	0.000
Policy Contingency	0.000	0.000	0.000
<b>Total</b>	<b>0.248</b>	<b>(0.222)</b>	<b>0.470</b>
<b>FUNDING</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>(Surplus)/Deficit</b>	<b>0.248</b>	<b>(0.222)</b>	<b>0.470</b>

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
Environmental	5.681	0.209	3.7%
Legal, Democratic, Elections & Procurement	2.305	0.119	5.2%
Planning & Development	1.738	0.114	6.6%
Property	(2.432)	0.084	3.5%
<b>Total</b>	<b>7.292</b>	<b>0.526</b>	

## 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 October 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 October 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)	0.476	(0.522)	(29.147)
Ringfenced Grant	(2.552)	0.898	0.422	0.080	(1.152)
<b>Subtotal Revenue</b>	<b>(37.030)</b>	<b>0.122</b>	<b>0.898</b>	<b>(0.442)</b>	<b>(36.452)</b>

Capital	(6.293)	3.250	0.000	0.000	(3.043)
<b>Total</b>	<b>(43.323)</b>	<b>3.372</b>	<b>0.898</b>	<b>(0.442)</b>	<b>(39.495)</b>

\*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 (£0.881m), with £0.514m that 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	8.950	8.523	0.339	(0.088)	0.591
Communities	9.519	8.550	0.175	(0.794)	(0.778)
<b>Total</b>	<b>18.469</b>	<b>17.073</b>	<b>(0.514)</b>	<b>(0.881)</b>	<b>(0.187)</b>

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	14.402	11.329	25.731
Capital Grants	2.096	9.011	11.107
Capital Receipts	0.425	5.250	5.675
S106 Receipts	1.546	3.563	5.109
	<b>18.469</b>	<b>29.153</b>	<b>47.622</b>

4.2.2 Table 8 below summarises the projected spend against the full capital programme (i.e. all years spend). Since September's report there has been a reduction in forecast underspend in the programme of (£0.624m) predominantly due to the budget relating to the CDC Office relocation being increased by Council at its October meeting.

**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	14.755	14.667	(0.088)	0.591
Communities	32.867	32.073	(0.794)	(0.778)
<b>Total</b>	<b>47.622</b>	<b>46.740</b>	<b>(0.881)</b>	<b>(0.187)</b>

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 several 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	Top In-Year Variances	Budget Total £'000	Reprofile to 24/25 £'000	% of in year Budget Variance
40326	Digital Futures Programme (Business Cases Required)	0.217	0.217	100%
40320	Net Zero	0.125	0.125	100%
40237	Council Website & Digital Service	0.122	0.122	100%
40321	Landscape Software Upgrade	0.025	0.025	100%
40322	Street Cleansing IT System	0.025	0.025	100%
		<b>0.514</b>	<b>0.514</b>	

4.2.4 Capital schemes recommended to be reprofiled:

- Digital Futures Programme (Business Cases Required) (40326)  
New digital futures budget - reprofiled to 25/26 due to time and resources required for a detailed business case with options other than just a full unified platform.
- Net Zero (40320)  
Energy audits to be carried out on various sites across the district with results not expected until early 2025 which will inform the requirement for this budget pot.
- Council Website & Digital Service (40237)  
Work underway to select a product to form basis of Unified Customer Relationship Management Platform.
- Landscape Software Upgrade (40321)  
Reprofiling required due to staffing resources.
- Street Cleansing IT System (40322)  
Reprofiling required due to staffing resources.

## 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

<b>Key Decision</b>	N/A
<b>Subject to Call in</b>	N/A
<b>If not, why not subject to call in</b>	N/A
<b>Ward(s) Affected</b>	All

### Document Information

<b>Appendices</b>	
<b>Appendix 1</b>	Capital October 2024
<b>Appendix 2</b>	Detailed Revenue Narrative on Forecast October 2024
<b>Appendix 3</b>	Virements October 2024
<b>Appendix 4</b>	Funding October 2024
<b>Appendix 5</b>	Use of reserves and grant funding October 2024
<b>Background Papers</b>	N/A
<b>Reference Papers</b>	N/A
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