

This report is public
Appendix 6 to the report is exempt from publication by virtue of paragraph 3 of
Schedule 12A of Local Government Act 1972

Finance Monitoring Report

Committee	Budget Planning Committee
Date of Committee	4 March 2025
Portfolio Holder presenting the report	Portfolio Holder for Finance, Regeneration and Property, Councillor Lesley McLean,
Date Portfolio Holder agreed report	7 February 2025
Report of	Assistant Director of Finance (S151 Officer), Michael Furness

Purpose of report

To report to the committee the council's financial position 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 December 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, 7 February 2025
Legal	There are no legal implications arising at this stage. The Council has a fiduciary duty to council taxpayers, which means it must consider the prudent use of resources, including

	control of expenditure, financial prudence in the short and long term and the need to act in good faith in relation to compliance with statutory duties and exercising statutory powers. The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables Executive to remain aware of issues and understand the actions being taken to maintain a balanced budget. The report sets out as at December 2024 finance position for the Council as part of its fiduciary duty to implement budgetary controls and monitoring. Denzil Turbervill, Head of Legal, 7 February 2025			
Risk Management	There are no risk implications arising directly from this report. Financial resilience risk is managed, and reported quarterly, through the Leadership Risk register. Celia Prado-Teeling, Performance Team Leader, 6 February 2025			
Impact Assessments	Positive	Neutral	Negative	Commentary
Equality Impact		X		There are no equalities implications arising directly from this report. Celia Prado-Teeling, Performance Team Leader, 6 February 2025
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 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 £0.043m. The forecast overspend is due to pressures totalling £0.474m within service budgets which are being offset by an underspend of (£0.431m) across Executive Matters and Policy Contingency.

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	Current Budget	December Forecast to Yearend	December Variance (Under) / Over	% Variance to current budget	November Variance (Under) / Over	Change since Previous (better) / worse	
	£m	£m	£m	%	£m	£m	
Finance	3.177	3.177	0.000	0.0%	0.000	0.000	
Legal, Democratic, Elections & Procurement	2.384	2.516	0.132	5.5%	0.132	0.000	
ICT	1.730	1.730	0.000	0.0%	0.000	0.000	
Property	(2.386)	(2.250)	0.136	-5.7%	0.136	0.000	
HR & OD	0.815	0.845	0.030	3.7%	0.030	0.000	

Customer Focus	2.577	2.457	(0.120)	-4.7%	(0.090)	(0.030)	
Resources & Transformation	8.297	8.475	0.178	2.1%	0.208	(0.030)	
Planning & Development	2.398	2.471	0.073	3.0%	0.057	0.016	
Growth & Economy	0.455	0.469	0.014	3.1%	0.014	0.000	
Environmental	6.387	6.591	0.204	3.2%	0.245	(0.041)	
Regulatory	1.164	1.148	(0.016)	-1.4%	(0.016)	0.000	
Wellbeing & Housing	2.263	2.163	(0.100)	-4.4%	(0.100)	0.000	
Communities	12.667	12.842	0.175	1.4%	0.200	(0.025)	
Subtotal for Directorates	20.964	21.317	0.353	1.7%	0.408	-0.055	
Executive Matters	4.293	4.178	(0.115)	-2.7%	(0.115)	0.000	
Policy Contingency	1.730	1.535	(0.195)	-11.3%	(0.195)	0.000	
Total	26.987	27.030	0.043	0.2%	0.098	(0.055)	
FUNDING	(26.987)	(26.987)	0.000	0.0%	0.000	0.000	
(Surplus)/Deficit	0.000	0.043	0.043		0.098	(0.055)	

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 – December 2024

Breakdown of current month forecast	December 2024 Forecast	Base Budget Over/ (Under)	Savings Non-Delivery
	£m	£m	£m
Resources	0.178	0.128	0.050
Communities	0.175	(0.249)	0.424
Subtotal Directorates	0.353	(0.121)	0.474
Executive Matters	(0.115)	(0.115)	0.000
Policy Contingency	(0.195)	(0.195)	0.000

Total	0.043	(0.431)	0.474
--------------	--------------	----------------	--------------

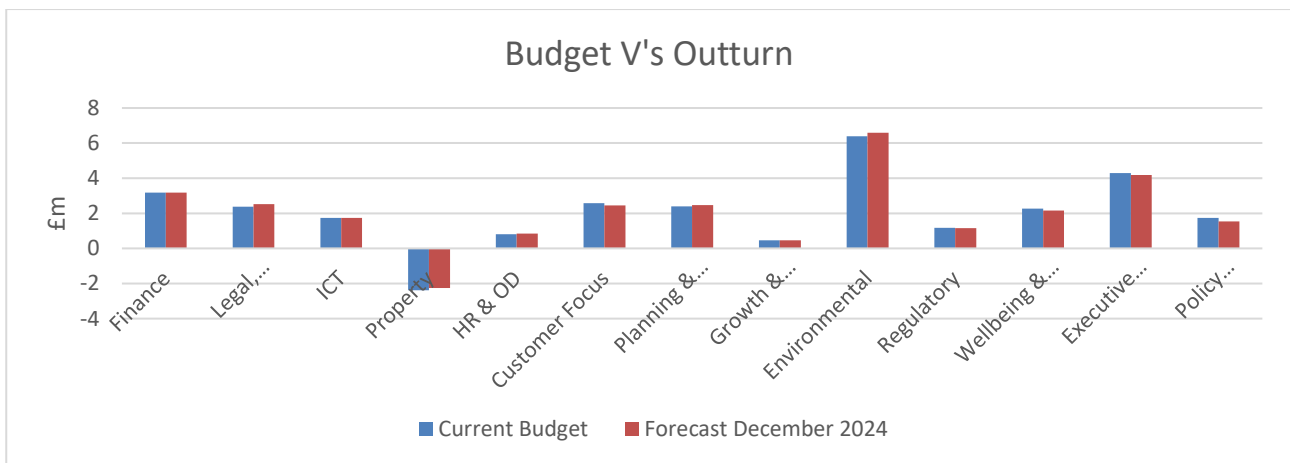
FUNDING	0.000	0.000	0.000
----------------	--------------	--------------	--------------

(Surplus)/Deficit	0.043	(0.431)	0.474
--------------------------	--------------	----------------	--------------

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	6.387	0.204	3.2%
Property	(2.386)	0.136	5.7%
Legal, Democratic, Elections & Procurement	2.384	0.132	5.5%
Policy Contingency	1.730	(0.195)	-11.3%
Total	6.385	0.472	

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 as at 31 December 2024, more details can be found within Appendix 5.

Table 5: Earmarked Reserves:

Reserves	Balance 1 April 2024	Original Budgeted use/ (contribution)	Changes agreed since budget setting	Changes proposed December 2024	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)	0.070	(1.480)	(30.511)
Ringfenced Grant	(2.552)	0.898	0.502	0.164	(0.988)
Subtotal Revenue	(37.030)	0.122	0.572	(1.316)	(37.652)
Capital	(6.293)	3.250	0.000	0.000	(3.043)
Total	(43.323)	3.372	0.572	(1.316)	(40.695)

*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 (£0.438m), with £0.270m that is recommended to be reprofiled into future years. The current month variance is due to underspends on the Town Centre House Purchase & Repair (£0.356m), Castle Quay (£0.233m) and overspend on the following, Bicester East Community Centre £0.051m, Sunshine Centre £0.075m and Development of New Land Bicester Depot £0.036m and minor variances totalling £0.011m. Further detail can be found in appendix 1.

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	8.387	8.195	0.105	(0.087)	(0.056)
Communities	8.760	8.243	0.165	(0.352)	(0.352)
Total	17.147	16.438	0.270	(0.438)	(0.407)

For further detail on individual schemes please see Appendix 1.

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 outturn position.

Table 7: How the Capital Programme is financed

Financing	24/25 Budget £m	Future Years £m	Total
Borrowing	12.734	11.516	24.250
Capital Grants	1.962	9.195	11.157
Capital Receipts	0.425	5.896	6.321
S106 Receipts	2.026	3.562	5.588
	17.147	30.169	47.316

4.2.2 Table 8 below summarises the projected spend against the full capital programme (i.e. forecast spend across all years of the capital programme). Since November's report there has been a increase in forecast underspend in the programme of (£0.031m) predominantly due to the PCI Compliance software that cannot be completed until the accompanying systems have been implemented.

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	14.754	14.667	(0.087)	(0.056)
Communities	32.562	32.210	(0.352)	(0.352)
Total	47.316	46.877	(0.438)	(0.407)

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
40242	H&S Works to Banbury Shopping Arcade	122.00	105.00	86.07%
40329	Spiceball Leisure Centre Structural Beams	100.00	100.00	100.00%
40295	S106 - Ambrosden Indoor Sport Project	65.00	65.00	100.00%
		287.00	270.00	

4.2.4 Capital schemes recommended to be reprofiled:

- H&S Works to Banbury Shopping Arcade (40242)
Works currently in design
- Spiceball Leisure Centre Structural Beams (40329)
Works to be deferred until December 2025.
- S106 - Ambrosden Indoor Sport Project
Awaiting new project details. Request to reprofile to 2025/26

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	N/A
Subject to Call in	N/A
If not, why not subject to call in	N.A
Ward(s) Affected	All

Document Information

Appendices	
Appendix 1	Capital December 2024
Appendix 2	Detailed Revenue Narrative on Forecast December 2024
Appendix 3	Virements & Aged Debt December 2024
Appendix 4	Funding December 2024
Appendix 5	Use of Reserves & Grant Funding
Appendix 6	Debt Write Off Report - EXEMPT

Background Papers	N/A
Reference Papers	N/A
Report Author	Leanne Lock
Report Author contact details	Leanne.lock@cherwell-dc.gov.uk 01295 227098