

This report is public Appendix 5 to the report is exempt from publication by virtue of paragraph 3 of Schedule 12A of Local Government Act 1972	
Finance Monitoring Report August 2026	
Committee	Executive
Date of Committee	5 October 2026
Portfolio Holder presenting the report	Cllr David Hingley, Portfolio Holder for Finance
Date Portfolio Holder agreed report	18 September 2026
Report of	Assistant Director Finance (Section 151 Officer), Michael Furness

Purpose of report

To report to Executive the council's forecast year-end financial position as at the end of the August 2026. Further detail can be found in the report and its appendices.

1. Recommendations

The Executive resolves:

- 1.1 To consider and note the contents of the council's financial management report as at the end of August 2026.
- 1.2 To note the S151 approval, as permitted under the Reserves Policy, of £0.005m use of the Community Initiatives Grant reserve for Hanwell Fields Community Centre works (Appendix 4).
- 1.3 To note and approve the proposed landlord capital works at Castle Quay, as detailed in exempt Appendix 5, are added to the capital programme.

2. Executive Summary

- 2.1 This report sets out the council's forecast year-end position for 2026/27, projecting an overspend of £0.436m to the financial year end.
- 2.2 The capital forecast year-end position will be reported on a Quarterly basis with the second report being as at September 2026 and reported to the committee in November.

Implications & Impact Assessments

Implications		Commentary		
Finance		Financial and Resource implications are detailed within section 4 of this report. The reserves policy requires Executive to agree transfers to and from earmarked reserves and general balances during the financial year. Michael Furness, Assistant Director of Finance, 8 September 2026		
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 August 2026 the finance position for the Council as part of its fiduciary duty to implement budgetary controls and monitoring. Denzil Turbervill, Head of Legal Services, 8 September 2026		
Risk Management		There are no risk implications arising directly from this report. Financial resilience and any risks link to it are managed through the Corporate Risk register. Celia Prado-Teeling, Performance Team Leader, 8 September 2026		
Impact Assessments		Positive	Neutral	Negative
Equality Impact			X	
		There are no equalities implications arising directly from this report.is report. Celia Prado-Teeling, Performance Team Leader, 8 September 2026		
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?			X	
		N/A		

B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		N/A
Climate & Environmental Impact		X		N/A
ICT & Digital Impact		X		N/A
Data Impact		X		N/A
Procurement & subsidy		X		N/A
Council Priorities	This report links to all council's priorities, as it summarises our progress against them during 2026/27.			
Human Resources	N/A			
Property	N/A			
Consultation & Engagement	N/A			

Supporting Information

3. Background

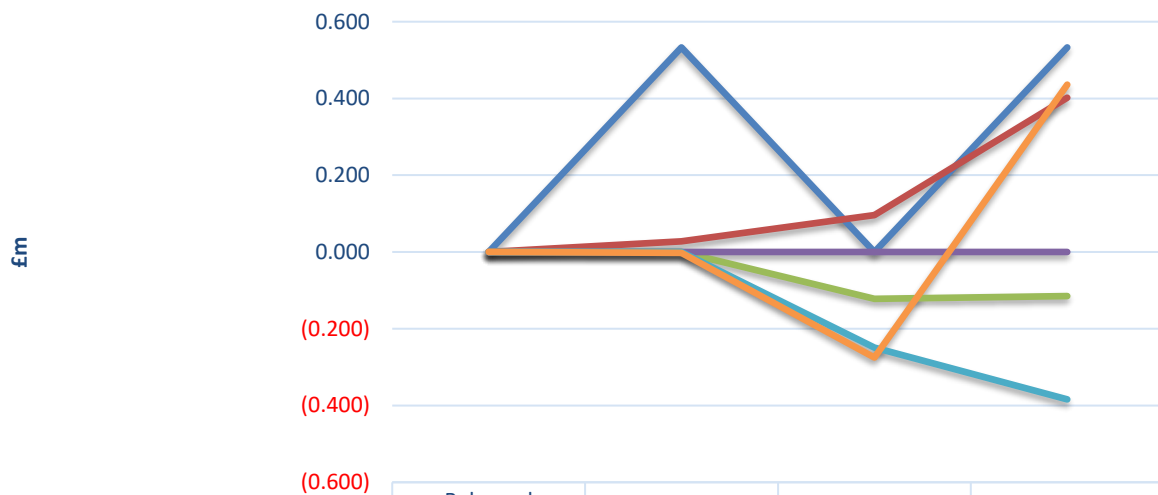
- 3.1 The council actively and regularly monitors its financial position to ensure it can deliver its corporate priorities and respond effectively to emerging issues.
- 3.2 This monitoring takes place monthly for finance, so the council can identify potential issues at the earliest opportunity and put measures in place to mitigate them.
- 3.3 These updates are consolidated on a quarterly basis where Performance and Finance updates are given due to the implications and interdependencies between them, and this is the summary financial forecast for the end of the financial year position for 2026/27.

4. Details

4.1 Finance Update

- 4.1.1 The Finance section presents the forecast year-end revenue position for the 2026/27 financial year and in a summary dashboard as detailed below:

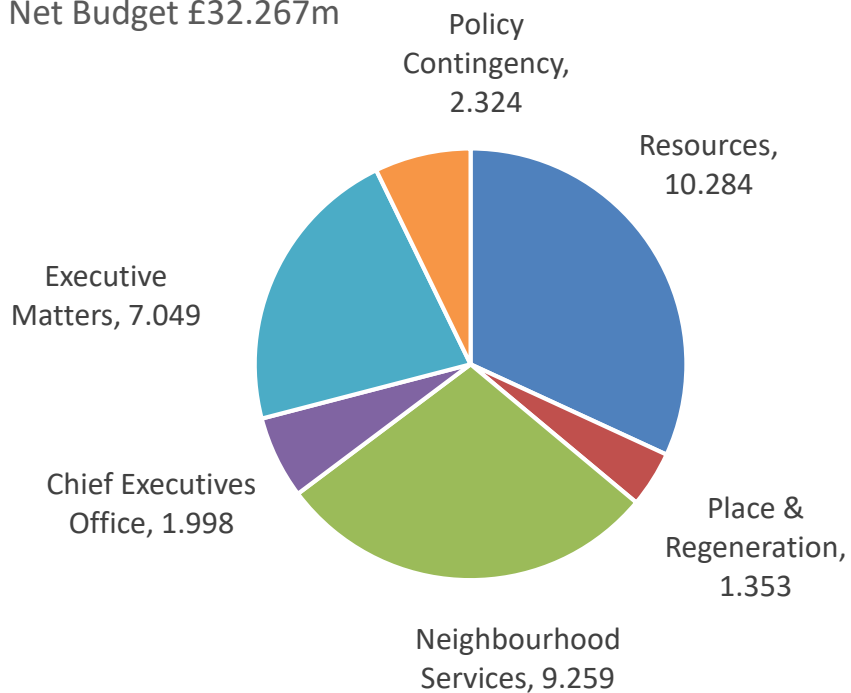
Monthly Forecast Variance By Directorate

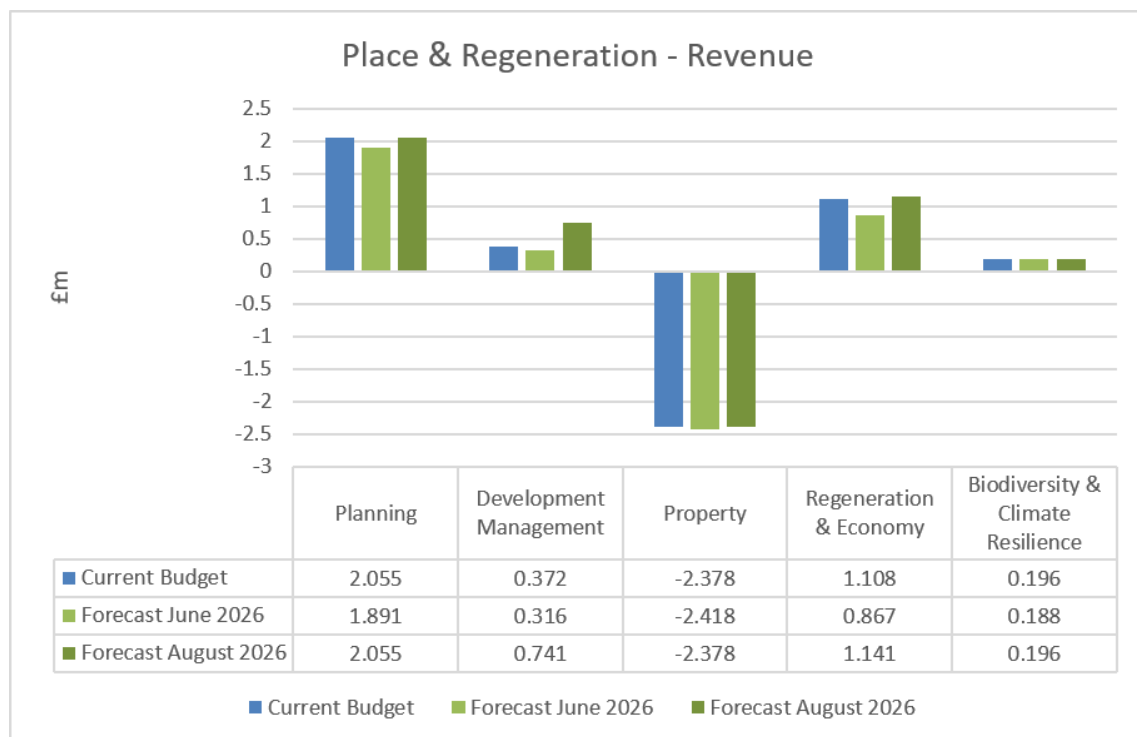
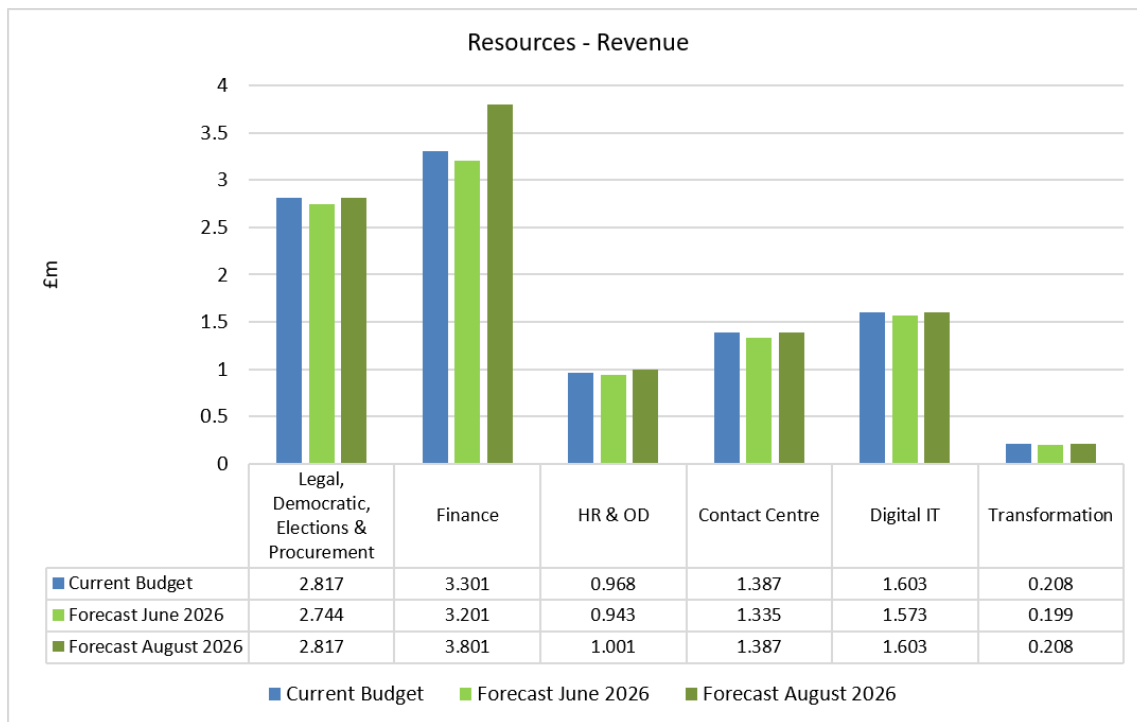


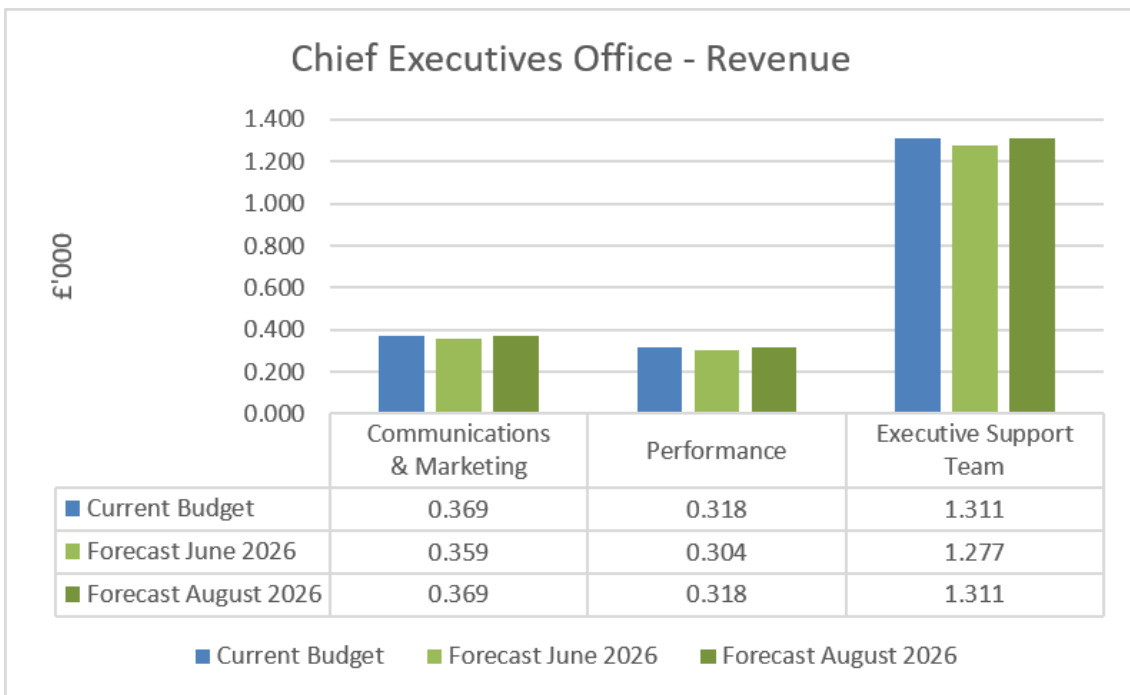
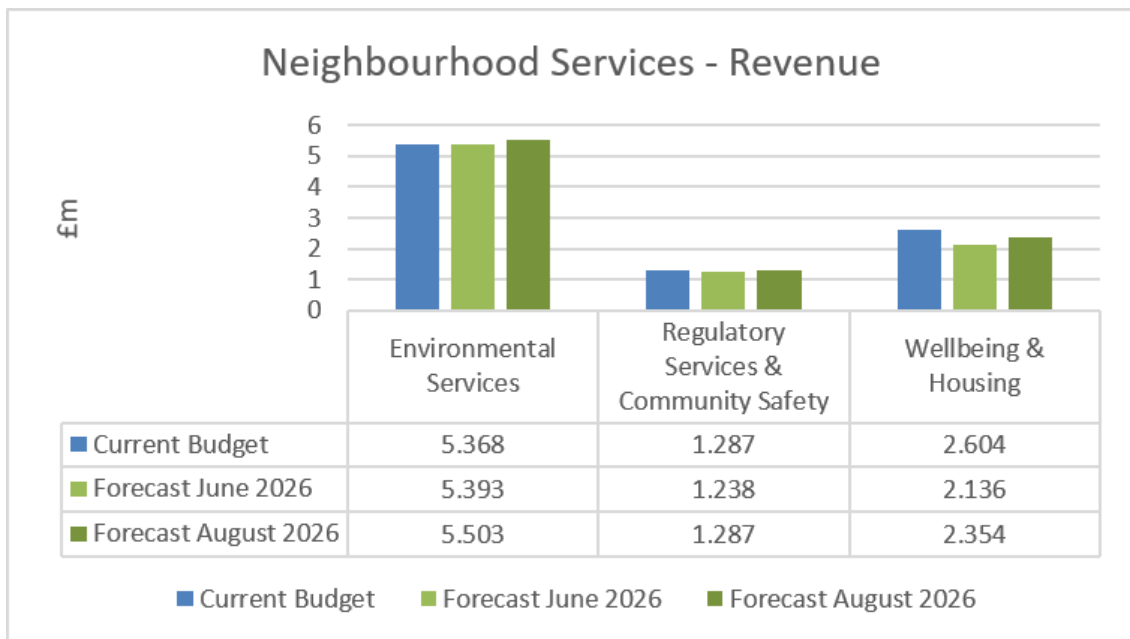
	Balanced Budget	May 26	June 26	Aug 26
Resources	0.000	0.533	0.000	0.533
Place & Regeneration	0.000	0.028	0.096	0.402
Neighbourhood Services	0.000	0.000	-0.122	-0.115
Chief Executives Office	0.000	0.000	0.000	0.000
Policy Contingency & Executive Matters	0.000	0.000	-0.249	(0.384)
Overall Council Position	0.000	-0.002	-0.275	0.436

Current Budget By Service Area

Total Net Budget £32.267m

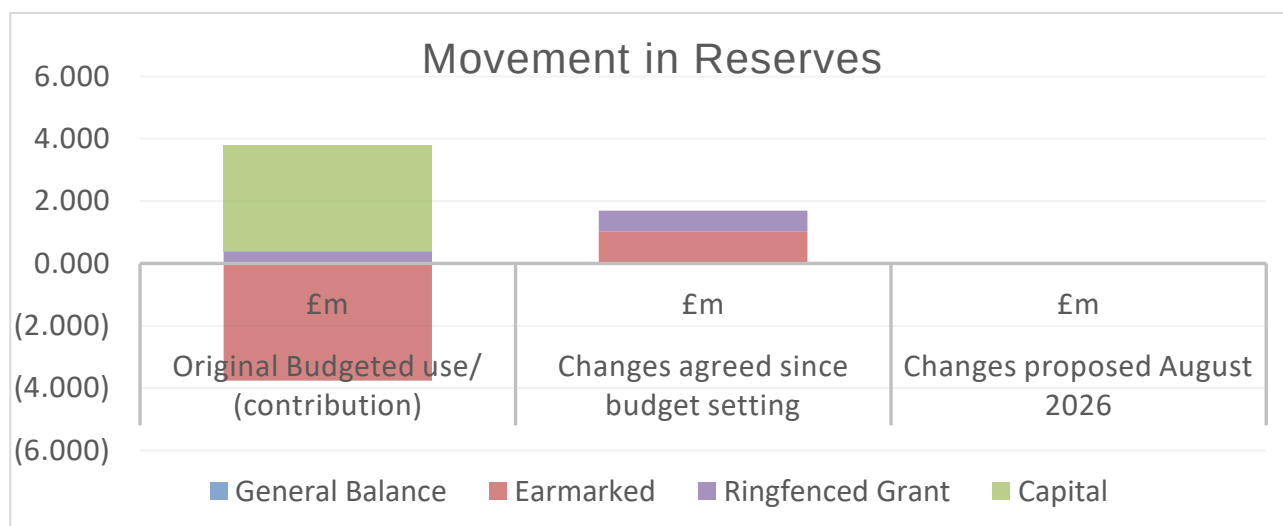






Directorate Analysis

Service	Resources £m	Place & Regeneration £m	Neighbourhood Services £m	Chief Executive Office £m	Executive Matters £m	Policy Contingency £m	Total £m
Budget approved by Council	9.979	0.728	8.889	1.940	7.954	2.779	32.269
Senior restructure		0.020				-0.020	0.000
reverse fees & charges as not applicable on court costs	0.016					-0.016	0.000
Allocation from PC for Pay award	0.288	0.233	0.491	0.058		-1.070	0.000
Roundings	0.001		0.001			-0.004	-0.002
Movement of Strategic Development Fund		0.250			-0.250		0.000
Move of Landscape Architects from Environmental Services to Planning		0.122	-0.122				0.000
Treasury Underspend to General Contingency					-0.655	0.655	0.000
Current Budget	10.284	1.353	9.259	1.998	7.049	2.324	32.267
Environmental Services - Agency Costs			0.135				0.135
Wellbeing & Housing - Using CDC Accommodation			-0.250				-0.250
Regeneration & Economy - staffing changes & devolution		0.033					0.033
Development Management - Income		0.369					0.369
Finance - Housing Benefit Payments	0.500						0.500
HR & OD - staffing costs	0.033						0.033
Higher Interest rates than forecast					-0.249		-0.249
Policy Contingency - Mitigate the overspend in Environmental Services						-0.135	-0.135
Current (Under)/Overspends	0.533	0.402	-0.115	0.000	-0.249	-0.135	0.436



4.1.2 The forecast summarised in Table 1 below currently shows an overspend across Directorates of £0.820m with potential mitigations that are currently being investigated, these mitigations are not part of the forecast. Further details providing explanations for projected variances can be found in Appendix 1.

4.1.3 The council is forecasting a £0.436m overall overspend (1.4%) to the end of the financial year, representing a £0.711m deterioration from the (£0.275m) forecast underspend reported in June.

The adverse movement is mainly driven by overspends in Resources £0.533m and Place & Regeneration £0.402m, particularly within Finance £0.500m and Development Management £0.369m. These pressures are partly offset by underspends in Neighbourhood Services (£0.115m), Executive Matters (£0.249m). Most other services forecasting balanced positions. The forecast also assumes the use of the (£0.135m) underspend in Policy Contingency which was ringfenced to help mitigate pressures within Environmental Services.

Table 1: Forecast Year End Position

Service	Current Budget £m	August 2026 Forecast to Year End £m	August 2026 Variance (Under) / Over £m	% Variance to current budget %	June 2026 Variance (Under) / Over £m	Change since Previous (better) / worse £m	
Legal, Democratic, Elections & Procurement	2.817	2.817	0.000	0.00%	0.000	0.000	
Finance	3.301	3.801	0.500	15.15%	0.000	0.500	
HR & OD	0.968	1.001	0.033	3.41%	0.000	0.033	
Contact Centre	1.387	1.387	0.000	0.00%	0.000	0.000	
Digital IT	1.603	1.603	0.000	0.00%	0.000	0.000	
Transformation	0.208	0.208	0.000	0.00%	0.000	0.000	
Resources	10.284	10.817	0.533	18.56%	0.000	0.533	
Planning	2.055	2.055	0.000	0.00%	(0.011)	0.011	
Development Management	0.372	0.741	0.369	99.19%	0.074	0.295	
Property	(2.378)	(2.378)	0.000	0.00%	0.000	0.000	
Regeneration & Economy	1.108	1.141	0.033	2.98%	0.033	0.000	
Biodiversity & Climate Resilience	0.196	0.196	0.000	0.00%	0.000	0.000	
Place & Regeneration	1.353	1.755	0.402	29.71%	0.096	0.306	
Environmental Services	5.368	5.503	0.135	2.51%	0.200	(0.065)	
Regulatory Services & Community Safety	1.287	1.287	0.000	0.00%	0.000	0.000	
Wellbeing & Housing	2.604	2.354	(0.250)	-9.60%	(0.322)	0.072	
Neighbourhood Services	9.259	9.144	(0.115)	-1.24%	(0.122)	0.007	
Communications & Marketing	0.369	0.369	0.000	0.00%	0.000	0.000	
Performance	0.318	0.318	0.000	0.00%	0.000	0.000	
Executive Support Team	1.311	1.311	0.000	0.00%	0.000	0.000	
Chief Executives Office	1.998	1.998	0.000	0.00%	0.000	0.000	
Subtotal for Directorates	22.894	23.714	0.820	3.58%	(0.026)	0.846	
Executive Matters	7.049	6.800	(0.249)	-3.5%	(0.249)	0.000	
Policy Contingency	2.324	2.189	(0.135)	-5.8%	0.000	(0.135)	
Total	32.267	32.703	0.436	1.4%	(0.275)	0.711	
FUNDING	(32.267)	(32.267)	0.000	0.0%	0.000	0.000	
Forecast (Surplus)/Deficit	0.000	0.436	0.436		(0.275)	0.711	

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 forecast outturn position.

Table 2: Analysis of Variance – August 2026

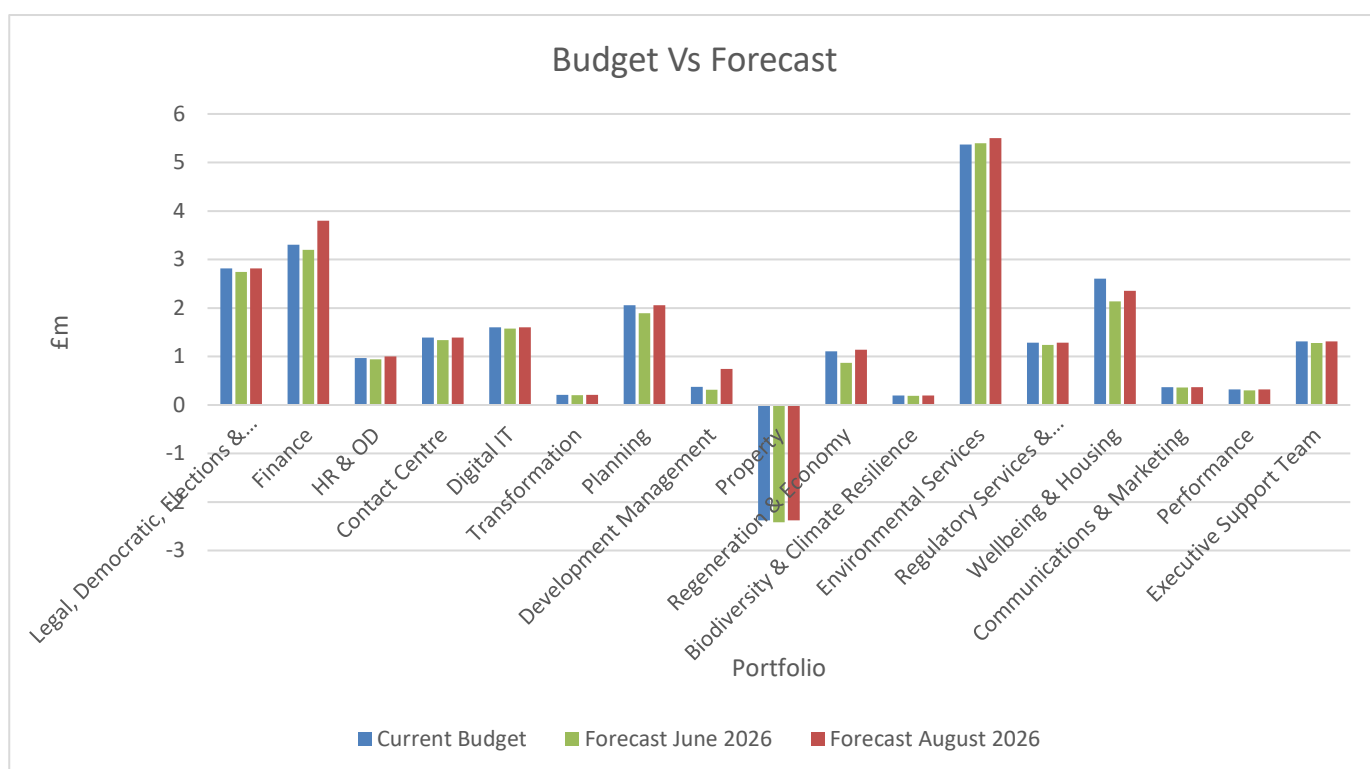
Breakdown of current month forecast	August 2026 Variance to Year End £m	Base Budget Over/ (Under) £m	Savings Non- Delivery £m
Resources	0.533	0.531	0.002
Place & Regeneration	0.402	0.038	0.364
Neighbourhood Services	(0.115)	(0.232)	0.117
Chief Executives Office	0.000	0.000	0.000
Subtotal Directorates	0.820	0.337	0.483
Executive Matters	(0.249)	(0.249)	0.000
Policy Contingency	(0.135)	(0.135)	0.000
Total	0.436	(0.047)	0.483
FUNDING	0.000	0.000	0.000
(Surplus)/Deficit	0.436	(0.047)	0.483

Savings non-delivery as detailed in Table 2 above relate to:

- **Resources** - Review of recharges to Parishes for CDC running Parish Elections - £0.002m
- **Place & Regeneration** - Continue the operation of national changes (planning) made to the household applications fee (introduced in April 2025 by central government) – providing an estimated planning income of £0.224m in 2026/27 - £0.224m.
- **Place & Regeneration** - Increase annual car parking charge of no more than 10p per hour - £0.100m
- **Place & Regeneration** - Finding efficiencies within facilities management - £0.040
- **Neighbourhood Services** - Charge for lost/damaged containers (Environmental Services) - £0.086m
- **Neighbourhood Services** - Transfer/Closure of Public Convenience - Pioneer Square - £0.026m
- **Neighbourhood Services** - Increase our focus on achieving fewer empty homes, aiming to boost supply within the local housing system - £0.005m

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

Graph 1: Budget compared with Forecast



4.1.5 Table 3 below summarises the major variances for the reporting period. Further details can be found in Appendix 1.

Table 3: Top Major Variances:

Service	Current Budget	Variance	% Variance
Finance	3.301	0.500	15.1%
Development Management	0.372	0.369	99.2%
Environmental Services	5.368	0.135	2.5%
Total	9.041	1.004	

Reserves

4.1.6 Allocations to and from reserves are made according to the Reserves Policy. Table 4 below summarises the movements, for details of reserve requests for August 2026 please see appendix 4.

Table 4: Reserves forecast:

Reserves	Balance 1 April 2026	Original Budgeted use/ (contribution)	Changes agreed since budget setting	Changes proposed August 2026	Balance 31 March 2027
	£m	£m	£m	£m	£m
General Balance	(8.021)	0.000	0.000	0.000	(8.021)
Earmarked	(34.241)	(3.757)	1.022	0.000	(36.976)
Ringfenced Grant	(2.229)	0.380	0.669	0.005	(1.175)
Subtotal Revenue	(44.491)	(3.377)	1.691	0.005	(46.172)
Capital	(6.511)	3.416	0.000	0.000	(3.095)
Total	(51.002)	0.039	1.691	0.005	(49.267)

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

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 revenue financial position up to the end of March 2027, therefore there are no alternative options to consider.

6 Conclusion and Reasons for Recommendations

6.1 The report updates the Committee on the projected year-end financial position of the council for 2026/27. Regular reporting is key to good governance and

demonstrates that the council is actively managing its financial resources sustainably.

Decision Information

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

Document Information

Appendices	
Appendix 1	Detailed Revenue Narrative on Forecast August 2026
Appendix 2	Virements August 2026
Appendix 3	Funding August 2026
Appendix 4	Use of Reserves and Grant Funding August 2026
Appendix 5 EXEMPT	EXEMPT Castle Quay Works
Background Papers	None
Reference Papers	None
Report Author	Leanne Lock, Finance Business Partner
Report Author contact details	leanne.lock@cherwell-dc.gov.uk 01295 227098
Executive Director Approval (unless Executive Director or Statutory Officer report)	Report of Statutory Officer, S151 officer