

**TITLE: FINANCE REPORT**

Committee: Finance & Assets Committee

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Report No: Y100

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**1.0 ISSUE**

1.1 This report provides Members with budget monitoring information for services under the Finance & Assets Committee and then, as part of its corporate remit, for the Council as a whole.

**2.0 RECOMMENDATION(S)**

2.1 Members are requested to note:

- this Committee has a projected yearend underspend of £910,000 when compared to its approved revenue budget of £5,967,312.
- that overall the Council has a projected yearend underspend of £ 757,000 when compared to its approved revenue budget of £16,856,960.
- that the overall position for the Council on Capital is a projected outturn of £5,910,615, which is an underspend of £1,890,172 when compared to the revised budget.

**3.0 BUDGET MONITORING**

3.1 Under Financial Regulations, each policy committee is required to consider projections of financial performance against both its revenue and capital budget on a quarterly basis, with this Committee further considering the overall Council position.

3.2 This is the second report for the 2023/24 financial year and details actual expenditure incurred and income received as at 30<sup>th</sup> September 2023 and projections as to the yearend position at this time.

**Revenue**

3.3 Appendix 1 details the overall revenue position for both this Committee and the Council overall. In appendix 1 the budgets under the stewardship of this Committee are shown in detail, with then the position for the Operational Services Committee and the funding lines shown in summary.

3.4 The detailed revenue position for the Operational Services Committee is shown in appendix 2. There are six forecast yearend variations being reported at this

time, with the net position being that the Committee is forecast to come in £407,000 overspent at yearend when compared to its net budget. The main factor leading to this is a £400,000 overspend on Planning where income levels are falling behind the level anticipated when the budget was built. Further detail is included in the Budget Monitoring Report presented to Operational Services Committee on the 13<sup>th</sup> November 2023.

3.5 With regard to the Finance & Assets Committee, the significant variances of actual spend compared to profiled budgeted spend at the end of September 2023, where no variance is forecast for yearend, are detailed below:

<b>Service</b>	<b>Variance £</b>	<b>Explanation</b>
Asset Management	(25,666)	This additional income relates to an easement granted for a property in Soham.
Corporate Management	(323,972)	Accruals remain unpaid in relation to external audit costs for 2021/22 and 2022/23
Cost of other Elections	(37,515)	Rollover of income from external elections in previous years, will be refunded or put in reserve during 2023/24.
Council Tax Collection costs	(£16,113)	County Council contribution to Cambridgeshire Fraud Hub, this will be paid across to ARP shortly.
Housing Strategic	155,360	Funding from the Cambridgeshire and Peterborough Combined Authority for Market Town projects has been claimed, but not yet received.
Land Charges Admin	(39,175)	Grant income from Government received in 2022/23 has been rolled forward to be matched against expenditure to be incurred in 2023/24.
Local Plans	(88,508)	Income from DLUHC in relation to Neighbourhood Plans was rolled forward and will be spent in 2023/24.
Parks & Gardens	£30,295	Expenditure will be funded from Section 106 grant at the end of the year.
Registration of Electors	(29,872)	Rollover of grant income from 2022/23 will be used to fund work in the current year.
Sport & Recreation	(45,653)	Roll forward of external grant income received in 2022/23.

3.6 Explanations for the forecast yearend variances reported for this Committee are detailed in the table below:

<b>Service</b>	<b>Variance £</b>	<b>Explanation</b>
Economic Development	(50,000)	Occupancy rates at the e-Space Centres in the first two quarters of the year were in advance of the level projected in the budget.
General Gang	(22,000)	This results from a staff vacancy in first half of the year.
Housing Benefits	(30,000)	Because of timing issues, the 2023/24 budget for housing benefits reflects 2022/23 expenditure. 2023/24 spend information has now been calculated and the updated figures used to determine the forecast yearend position.
Housing Strategic	(90,000)	This reflects staff savings in the first six months of the year
Interest & Financial Transactions	(700,000)	With the interest rates continuing to rise, the Council is benefiting from improved returns on its treasury deposits leading to higher interest receipts than budgeted.
Legal	(£25,000)	Vacancies in the legal team have contributed to a salary saving in the this first half of the year. The role will be advertised again shortly.
Member & Committee Support	(35,000)	This reflects vacancies within the department during the first half of the year.
Office Accommodation	(35,000)	Transitional Business Rate relief has been received for the Grange resulting in this underspend.
Parking of Vehicles	£20,000	Car parking income collected is slowly getting back towards pre-covid levels but is still lower than had been forecast for the year to date.
Reprographics	(£8,000)	Income has increased over the first six months of the year.
Additional Staff Costs	£65,000	This reflects the additional cost which would result from the pay offer that has currently been offered by the National

		Employers, but not accepted by the unions. The figure is the difference between the 4% budgeted and the offer of £1,925 per FTE. Until an offer is accepted, this figure is subject to change. Once agreed and the uplift paid to staff, this cost will appear on individual service lines.
Internal Drainage Board	(£104,000)	Additional Government support grant provided in 2023/24.
Business Rates	(£150,000)	We have two new solar farms in the district. The District Council retains 100% of Business Rates on Renewable Energy facilities resulting in this income being in advance of budget.

## Capital

- 3.7 The Council's revised capital budget stands at £7,800,787; including £1,237,281 of slippage brought forward from 2022/23 and a reduction of £5,793 on Disability Facilities grant spend, where the capital element of the grant received from the County Council is lower than predicted in the budget.
- 3.8 The outturn position is forecast to be £5,910,615, an underspend of £1,890,172. The current underspends relate to projects under Operational Services Committee and are in relation to:
- The purchase of Waste vehicles where the price agreed for the ten refuse collection vehicles is lower than that originally expected. See report to Operational Services Committee on the 27<sup>th</sup> March 2023. While this underspend is reported at this point, there remains the potential that some of it may be utilised following a review of small fleet requirements within ECSS.
  - The contingency budget set up for the purchase of new Waste bins, will not now be spent in 2023/24.

## 4.0 ARGUMENTS/CONCLUSION(S)

- 4.1 The projected net revenue expenditure for the Council is forecast to be a £757,000 underspend compared to the Council's approved budget. This will be moved to the Surplus Savings Reserve at yearend.

## 5.0 FINANCIAL IMPLICATIONS / EQUALITY IMPACT STATEMENT / CARBON IMPACT ASSESSMENT

- 5.1 There is a revenue underspend compared to this Council's approved budget, therefore all things being equal, this will be transferred to the Surplus Savings Reserve at year-end.

5.2 Equality Impact Assessment (EIA) is not required.

5.3 Carbon Impact Assessment (CIA) is not required.

**6.0 APPENDICES**

Appendix 1 – Summary Budget Monitoring Report – 30<sup>th</sup> September 2023

Appendix 2 – Operational Services Budget Monitoring Report – 30<sup>th</sup> September 2023

Appendix 3 – Capital Budget Monitoring Report – 30<sup>th</sup> ~September 2023

Appendix 4 – Reserve Balances – 30<sup>th</sup> September 2023

Background Documents:

Council Budget approved by Full Council on the 21st February 2023



**FINANCE & ASSETS COMMITTEE BUDGET MONITORING REPORT - 30th September 2023**

Revenue	Total Budget 2023-24	Profiled Budget to 30 September 2023	Actual to 30 September 2023	Variance	Forecast Outturn	Variance between Total Budget & Projected Outturn	Variance between Total Budget & Projected Outturn June 2023
	£	£	£	£	£	£	£
Asset Management	150,433	--	(25,666)	(25,666)	150,433		
Award Ditches	9,833	4,917	5,770	853	9,833		
Civic Relations	23,692	11,853	8,525	(3,328)	23,692		
Closed Churchyards	32,391	16,196	17,452	1,256	32,391		
Community Safety	--	--	--	--	--		
Community Transport	15,000	--	--	--	15,000		
Corporate Management	383,053	184,833	(139,139)	(323,972)	383,053		
Cost of Other Elections	--	--	(37,515)	(37,515)	--		
Council Tax Accounting	538,783	276,254	260,141	(16,113)	538,783		
Crematorium		--	--	--	--		
Data Management	110,822	55,415	54,365	(1,050)	110,822		
Depot Services	(71,008)	(35,504)	(35,504)	--	(71,008)		
Economic Development	107,877	58,892	(10,332)	(69,224)	57,877	(50,000)	(15,000)
Financial Services	295,597	134,716	126,063	(8,653)	295,597		
General Gang	99,271	50,238	21,490	(28,748)	77,271	(22,000)	(15,000)
Health & Safety (Work)	26,696	--	47	47	26,696		
Housing Benefits	410,147	171,216	171,809	593	380,147	(30,000)	(85,000)
Housing Strategic	192,954	164,960	320,320	155,360	102,954	(90,000)	(40,000)
Human Resources	242,675	163,808	128,520	(35,288)	242,675		
Interest & Financial Transactions	(660,452)	(257,663)	(692,307)	(434,644)	(1,360,452)	(700,000)	(160,000)
Internal Audit	80,038	40,019	36,939	(3,080)	80,038		
Land Charges Admin	(52,356)	(24,928)	(64,103)	(39,175)	(52,356)		
Legal	165,269	82,634	57,242	(25,392)	140,269	(25,000)	
Local Elections	22,500	86,059	99,445	13,386	22,500		
Local Plans	145,111	47,556	(40,952)	(88,508)	145,111		
Management Team	771,860	382,461	388,567	6,106	771,860		
Member & Committee Support	629,577	315,352	264,512	(50,840)	594,577	(35,000)	(10,000)
Miscellaneous Properties	(46,649)	(23,325)	(5,138)	18,187	(46,649)		
Miscellaneous Finance	722,713	439,103	433,703	(5,400)	722,713		
Museums - Old Gaol House	--	--	(1,419)	(1,419)	--		
NNDR Collection Costs	47,266	75,844	69,552	(6,292)	47,266		
Office Accommodation	566,749	404,748	406,493	1,745	531,749	(35,000)	(35,000)
Oliver Cromwell House	--	--	--	--	--		
Out Of Hours call out Service	14,000	7,000	2,662	(4,338)	14,000		
Parking Of Vehicles	76,766	98,694	141,601	42,907	96,766	20,000	30,000
Parks And Gardens Team	357,589	372,547	402,842	30,295	357,589		
Payroll	92,770	40,970	59,694	18,724	92,770		
Public Conveniences	185,776	91,241	98,338	7,097	185,776		
Refuse Collection	--	--	--	--	--		
Registration of Electors	45,091	24,357	(5,515)	(29,872)	45,091		
Reprographics	156,130	83,585	65,721	(17,864)	148,130	(8,000)	
Sport & Recreation	79,348	35,630	(10,023)	(45,653)	79,348		
Additional Staff Costs			--	--	65,000	65,000	65,000
<b>Finance &amp; Assets Committee Total</b>	<b>5,967,312</b>	<b>3,579,678</b>	<b>2,574,200</b>	<b>(1,005,478)</b>	<b>5,057,312</b>	<b>(910,000)</b>	<b>(265,000)</b>
<b>Operational Services Committee</b>	<b>6,968,362</b>	<b>3,514,702</b>	<b>(636,193)</b>	<b>(4,150,895)</b>	<b>7,375,362</b>	<b>407,000</b>	<b>195,000</b>
<b>Other Spend</b>							
Parish Precepts	3,000,653	3,000,653	3,000,653	--	3,000,653	--	--
Internal Drainage Boards	632,991	316,496	233,698	(82,798)	528,991	(104,000)	(104,000)
Movement in Corporate Reserves	287,642	--	--	--	287,642		
<b>Revenue Budget Total</b>	<b>16,856,960</b>	<b>10,411,529</b>	<b>5,172,358</b>	<b>(5,239,171)</b>	<b>16,249,960</b>	<b>(607,000)</b>	<b>(174,000)</b>
<b>Funding</b>							
Council Tax	(7,580,954)	--	--	--	(7,580,954)	--	--
Revenue Support Grant	(102,089)	(51,044)	(53,086)	(2,042)	(102,089)	--	--
Business Rates	(5,717,544)	--	(164,615)	(164,615)	(5,867,544)	(150,000)	(150,000)
Other Government Grants (NHB / RSG etc.)	(1,480,794)	(740,397)	(835,450)	(95,053)	(1,480,794)	--	--
Budgeted draw from Surplus Savings Reserve	(1,975,579)	--	--	--	(1,975,579)	--	--
	<b>(16,856,960)</b>	<b>(791,441)</b>	<b>(1,053,151)</b>	<b>(261,710)</b>	<b>(17,006,960)</b>	<b>(150,000)</b>	<b>(150,000)</b>
<b>Revenue Total</b>	<b>--</b>	<b>9,620,088</b>	<b>4,119,207</b>	<b>(5,500,881)</b>	<b>(757,000)</b>	<b>(757,000)</b>	<b>(324,000)</b>

**OPERATIONAL SERVICES COMMITTEE BUDGET MONITORING REPORT - SEPTEMBER 2023**

Revenue	Total Budget 2023-24	Profiled Budget to 30 September 2023	Actual to 30 September 2023	Variance	Forecast Outturn	Variance between Total Budget & Projected Outturn Sept 2023	Variance between Total Budget & Projected Outturn June 2023
	£	£	£	£	£	£	
Building Regulations	36,736	(28,309)	653	28,962	51,736	15,000	
CIL	--	9,500	(2,802,313)	(2,811,813)	--		
Civic Amenities Act	--	--	--	--	--		
Climate Change	100,000	50,000	45,133	(4,867)	100,000		
Community Projects & Grants	193,482	75,147	87,859	12,712	193,482		
Community Safety	62,133	55,151	55,531	380	62,133		
Cons.Area & Listed Buildings	69,861	34,931	34,009	(922)	69,861		
Customer Services	543,885	282,816	262,382	(20,434)	538,885	(5,000)	(5,000)
Dog Warden Scheme	43,226	21,745	21,798	53	43,226		
Ely Markets	--	--	--	--	--		
Emergency Planning	30,024	829	8,679	7,850	30,024		
Environmental Issues	147,961	81,601	104,641	23,040	179,961	32,000	
Health - Admin. & Misc.	529,805	251,492	64,535	(186,957)	529,805		
Homelessness	247,158	(77,080)	(1,624,782)	(1,547,702)	197,158	(50,000)	
IT	1,011,782	684,495	772,353	87,858	1,011,782		
Leisure Centre	(301,550)	6,890	7,913	1,023	(301,550)		
Licencing	19,067	9,184	(89,288)	(98,472)	19,067		
Marketing & Grants	42,192	16,096	(6,548)	(22,644)	42,192		
Neighbourhood Panels	1,500	750	--	(750)	1,500		
Nuisance Investigation	103,673	51,837	50,198	(1,639)	103,673		
Pest Control	11,033	5,516	4,658	(858)	11,033		
Planning	253,594	94,721	423,342	328,621	653,594	400,000	200,000
Public Relations	109,883	54,941	54,801	(140)	109,883		
Refuse Recycling	1,276,987	638,494	638,494	--	1,276,987		
Refuse Collection	1,497,443	748,722	748,722	--	1,497,443		
Street Cleansing	876,471	438,236	438,236	--	876,471		
Street Naming & Numbering	16,704	8,352	396	(7,956)	16,704		
Travellers Sites	(18,159)	(33,090)	12,628	45,718	(3,159)	15,000	
Tree Preservation	63,471	31,735	49,777	18,042	63,471		
<b>Revenue Total</b>	<b>6,968,362</b>	<b>3,514,702</b>	<b>(636,193)</b>	<b>(4,150,895)</b>	<b>7,375,362</b>	<b>407,000</b>	<b>195,000</b>



**CAPITAL BUDGET MONITORING 2023/24**

Capital	Published Budget 2023-24 £	Slippage from 2022-23 £	Approved Additions £	Revised Budget 2023-24 £	Actual at 30th September 2023 £	Forecast Outturn £	Variance between Revised Budget & Forecast £
<b>OPERATIONAL SERVICES</b>							
Conservation Area Schemes - 2nd round		27,506		27,506		0	(27,506)
Refuse & Cleansing Vehicles	2,775,000			2,775,000	4,194	1,912,334	(862,666)
Waste - Wheeled Bins	1,040,000			1,040,000	17,202	40,000	(1,000,000)
Mandatory Disabled Facilities Grants	697,299	928,801	(5,793)	1,620,307	325,158	1,620,307	0
Empty Properties, Discretionary DFGs, Minor Works, Home Repair Asst.	75,000			75,000	37,380	75,000	0
Vehicle Etc. Replacements	100,000			100,000	70,006	100,000	0
Leisure Centre				0	(18,038)	0	0
<b>Operational Services Total</b>	<b>4,687,299</b>	<b>956,307</b>	<b>(5,793)</b>	<b>5,637,813</b>	<b>435,902</b>	<b>3,747,641</b>	<b>(1,890,172)</b>
<b>FINANCE &amp; ASSETS</b>							
Solar Panels on Council Buildings	100,000	50,000		150,000	49,900	150,000	0
Depot		636,624		636,624	137,580	636,624	0
A14 Contribution	82,000	(82,000)		0		0	0
Loan to EC CLT		76,350		76,350		76,350	0
New Loan Agreement with ECTC	1,700,000	(400,000)		1,300,000		1,300,000	0
<b>Finance &amp; Assets Total</b>	<b>1,882,000</b>	<b>280,974</b>	<b>0</b>	<b>2,162,974</b>	<b>187,480</b>	<b>2,162,974</b>	<b>0</b>
<b>Total</b>	<b>6,569,299</b>	<b>1,237,281</b>	<b>(5,793)</b>	<b>7,800,787</b>	<b>623,382</b>	<b>5,910,615</b>	<b>(1,890,172)</b>

SOURCES OF FINANCING	Published Budget 2023-24 £	Slippage from 2022-23 £	Approved Additions £	Revised Budget 2023-24 £	Variations £	Forecast Outturn £
<b>Operational Services</b>						
Grants / Contributions (DFG)	608,471	404,111	(5,793)	1,006,789		1,006,789
Capital Receipts	203,828	552,196		756,024	(27,506)	728,518
Borrowing	3,775,000	0		3,775,000	(2,662,666)	1,112,334
Section 106 / CIL	100,000	0		100,000	800,000	900,000
<b>Operational Services Total</b>	<b>4,687,299</b>	<b>956,307</b>	<b>(5,793)</b>	<b>5,637,813</b>	<b>(1,890,172)</b>	<b>3,747,641</b>
<b>Finance &amp; Assets</b>						
Revenue Contributions	42,000	(42,000)		0		0
Capital Receipts	100,000	50,000		150,000		150,000
Section 106 / CIL	40,000	(40,000)		0		0
Borrowing	1,700,000	312,974	0	2,012,974	0	2,012,974
<b>Finance &amp; Assets Total</b>	<b>1,882,000</b>	<b>280,974</b>	<b>0</b>	<b>2,162,974</b>	<b>0</b>	<b>2,162,974</b>
<b>Capital Funding Total</b>	<b>6,569,299</b>	<b>1,237,281</b>	<b>(5,793)</b>	<b>7,800,787</b>	<b>(1,890,172)</b>	<b>5,910,615</b>

Capital Resources Forecast	Published Budget 2023-24 £	Slippage from 2022-23 £	Approved Additions £	Revised Budget 2023-24 £	Variations £	Outturn £
Balance Brought Forward	1,396,717	84,085		1,480,802		1,480,802
Add receipts from Sales of Assets	50,000			50,000	362,894	412,894
Less Capital Receipts Applied	(303,828)	(602,196)		(906,024)	27,506	(878,518)
<b>Capital Reserves Carried Forward</b>	<b>1,142,889</b>	<b>(518,111)</b>	<b>0</b>	<b>624,778</b>	<b>390,400</b>	<b>1,015,178</b>

Borrowing	Published Budget 2023-24 £	Slippage from 2022-23 £	Approved Additions £	Revised Budget 2023-24 £	Variations £	Outturn £
Balance Brought Forward	10,012,611	114,065		10,126,676		10,126,676
Less MRP Applied	(327,765)			(327,765)	8,384	(319,381)
Repayment from ECTC				0		0
Add additional Borrowing Applied	5,475,000	312,974	0	5,787,974	(2,662,666)	3,125,308
<b>Borrowing Carried Forward</b>	<b>15,159,846</b>	<b>427,039</b>	<b>0</b>	<b>15,586,885</b>	<b>(2,654,282)</b>	<b>12,932,603</b>

## Reserve Accounts

Agenda Item 11 Appendix 4

Description	2023/24			
	Opening Balance 1 April £	Transfers to Reserve £	Contributions from Reserve £	Forecast Balance 31 March £
District Elections	161,932		(85,117)	76,815
Historic Buildings Grants	6,190			6,190
Housing Conditions Survey	25,000	5,000		30,000
Change Management	231,558		(174,257)	57,301
Major Project Development	100,000		(30,000)	70,000
Surplus Savings Reserve	8,554,452	757,000	(1,975,579)	7,335,873
Vehicle Replacements	74,240			74,240
Sports Facilities Funding Reserve	288,000		(218,600)	69,400
IT	160,000	40,000	(100,000)	100,000
CIL Admin	217,069	70,000	(100,000)	187,069
Asset Management	12,679			12,679
Care and Repair	45,000			45,000
Community Fund Reserves	30,884			30,884
Housing	79,547			79,547
Affordable Housing	221,800		(7,545)	214,255
General Fund Balance	1,063,294	174,257		1,237,551
Commercial Invest to Save	20,000			20,000
CLT Grant Applications	20,000			20,000
Travellers' Sites	0	56,959		56,959
Enterprise Zone NNDR	738,418	287,642	(22,341)	1,003,719
Cambridgeshire Horizons - General	431,119			431,119
Growth and Infrastructure Fund	2,307,216		(1,100,000)	1,207,216
Exceptional Hardship Fund	2,637			2,637
Climate Change	70,999			70,999
Other				
CIL	10,435,509	1,400,000	(1,000,000)	10,835,509
Section 106 Agreements	3,467,395		(500,000)	2,967,395
Internal Borrowing	(10,126,676)	(3,125,308)	319,381	(12,932,603)
<b>Total Reserves</b>	<b>18,638,263</b>	<b>(334,450)</b>	<b>(4,994,058)</b>	<b>13,309,755</b>