

Integrated Finance Monitoring Report for Period 5 2024-25

To: Strategy, Resources and Performance Committee

Meeting Date: 31 October 2024

From: Executive Director of Finance and Resources

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2024/026

Executive Summary: This report presents financial information setting out the current financial position of the council and projections for year-end as at period 5 (end of August). The report covers revenue and capital budgets, and balance sheet items including borrowing and reserves.

Recommendation: Strategy, Resources and Performance Committee is recommended:

- a) To note changes in capital grants and contributions, and to agree capital budget changes including funding from prudential borrowing where appropriate, as set out in section 4.5.1 of annex A;
- b) To delegate to the Chief Executive, in consultation with the Chair and Vice Chair of the committee, to draw-down up to £1.6m from earmarked reserves to cover the legal costs and preparation of the case relating to the guided busway prosecution.
- c) To draw-down up to £674k for temporary posts and capacity in the Human Resources service and Policy, Insight and Change service to support the delivery of the council's Change Strategy contingent upon the Change Strategy being approved by the committee which is being considered as another item on the agenda;
- d) To authorise draw-down of £400k from the Public Health grant reserve to support the mitigation of risks if Drug and Alcohol Grants end in March 2025; and
- e) To authorise the write-offs of three customer accounts totalling £165k following the exhaustion of recovery actions, as set out in sections 5.3.6 and 5.3.7 of annex A.

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1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 This regular financial monitoring report provides the consolidated management accounts of the whole council, enabling members to be aware of, and to scrutinise, the delivery of the business plan for 2024-25.

2. Background

- 2.1 This integrated report consolidates the individual Finance Monitoring Reports (FMR) that are prepared for each council directorate, and for corporate items. On a quarterly basis, those individual FMRs are reviewed by policy & service committees. The integrated report provides actual and forecast information for our revenue and capital budgets and balance sheet.
- 2.2 As a policy and service committee itself, this report item also provides the individual FMR covering the enabling services that are within this committee's remit.

3. Main Issues

- 3.1 The detailed Integrated Finance Monitoring Report for period 5 (August 2024) is at Annex A. The Finance & Resources and Strategy and Partnerships Finance Monitoring Report for the same period, covering services that are broadly within this committee's remit, is at Annex B.
- 3.2 The report records that there has been a worsening in the Council's revenue forecast, with the forecast year-end pressure of £9.6m. The report sets out the drivers of that forecast overspend, as well as setting out the position of the capital programme, the council's balance sheet, and the savings tracker. Additional context on the financial position of the council and individual directorates is in the main report.
- 3.3 As well as noting the general report, there are specific recommendations in sections 3 and 4. These relate to capital budget changes, the allocation of funding from reserves, and debt write-offs.

4. Alternative Options Considered

- 4.1 The report sets out the alternatives to the recommendations. Capital budget changes requested are required to continue or advance the projects referred to; without reserve movements the in-year outturn position will be affected; without debt write-offs identified the council's balance sheet will be overstated and debt recovery action may continue without likelihood of success.

5. Conclusion and reasons for recommendations

- 5.1 The report sets out the reasons for the recommendations. These are to ensure that the Council is using latest estimates for budgeting and proactively responding to latest information.

6. Significant Implications

6.1 Finance Implications

This report provides the latest financial information for the council and so has a direct impact on scrutiny and on wider decision making.

6.2 Legal Implications

There are no significant implications within this category.

6.3 Risk Implications

There are no significant implications within this category.

6.4 Equality and Diversity Implications

There are no significant implications within this category.

6.5 Climate Change and Environment Implications

There are no significant implications within this category.

7. Source Documents

Place & Sustainability Finance Monitoring Report (Period 5)

Children, Education & Families FMR (Period 5)

Adult, Health and Commissioning FMR (Period 5)

Finance & Resources and Strategy & Partnerships FMR (Period 5)