

Integrated Finance Monitoring Report for Period 7 2025-26

To: Strategy, Resources and Performance Committee

Meeting Date: 11 December 2025

From: Executive Director of Finance and Resources

Electoral division(s): All

Key decision: No

Forward Plan ref: Not applicable

Executive Summary: This report presents financial information setting out the current financial position of the council and projections for year-end as at period 7 (October 2025). The report covers revenue and capital budgets, and balance sheet items including borrowing and reserves.

Recommendation: The Committee is recommended to note the report.

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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 2025-26.

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 and service committees. The integrated report provides actual and forecast information for our revenue and capital budgets and balance sheet. This is Annex A.
- 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, at Annex B.

3. Main Issues

- 3.1 The detailed Integrated Finance Monitoring Report for period 7 (including quarterly information as at the end of quarter 2) is at Annex A. A memorandum Finance Monitoring Report covering areas of Finance and Resources and Strategy and Partnerships, with services broadly in the remit of this committee, that are not already covered in the main report, is at Annex B.
- 3.2 The report records that the council continues to forecast an overspend for the year, now at £10.3 million following further mitigations identified by directorates and representing an ongoing improvement but with further still to go. The overspend reflects a number of key pressure areas, which are set out in the main report at Annex A.
- 3.3 The report also updates on the council's capital programme, dedicated schools grant and reserves.
- 3.4 This report is only for committee to note the overall council financial position and detail.

4. Significant Implications

4.1 Finance Implications

This report provides the latest financial information for the council, and makes recommendations relating to financial management, and so has a direct impact on scrutiny and on wider decision making. An overspend position versus the budget for the year would need to be financed through general reserves, which have a minimum level for ongoing financial sustainability.

4.2 Legal Implications

The council has a legal duty to set and deliver a balanced budget each year, with overspends needed to be financed from available reserves. The council's Chief Financial Officer has to report to Council under Section 25 of the Local Government Act 2003 on the adequacy of the council's reserves that Council must have regard for. Within that report, the minimum prudent level of the council's reserves is set out. If the council cannot deliver a balanced in year budget (through containing spend to allocated budgets or, failing that, through reserves use) it risks the adequacy of reserves, and also would contravene the statutory duty to do so under Section 114 of the Local Government Act 1988. Any use of reserves will impact on the subsequent year's Section 25 assessment by the Chief Financial Officer. Overspends will need to be addressed through mitigations which may impact on service delivery including our ability to deliver statutory services.

4.3 Risk Implications

Actions taken to reduce overspends may impact on the council's performance against its Key Performance Indicators, management of risks, and on legal compliance.

4.4 Equality and Diversity Implications

A continuing overspend jeopardises the council's ability to deliver a balanced budget and meet current spending commitments. Spending reductions that are therefore required may disadvantage certain people more than others within the county.

5. Source Documents

Place and Sustainability Finance Monitoring Report (Period 7)

Children, Education and Families FMR (Period 7)

Adults and Public Health FMR (Period 7)

Finance and Resources and Strategy and Partnerships FMRs (Period 7)