

Title: Finance Report

Committee: Finance and Assets Committee

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1.0 Issue

1.1 This report provides Members with budget 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 yearend underspend of £1,604,245 when compared to its approved revenue budget of £7,016,768.
- the Council has a yearend underspend of £2,621,278 when compared to its approved budget of £18,840,342.
- that the overall position for the Council on Capital is an outturn of £3,653,638, which is an underspend of £4,098,479.

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 final report for the 2024/25 financial year and details actual expenditure incurred and income received as at 31st March 2025.

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. The net position was that the Committee overspent by £195,163. There are two major overspends; £353,578 in Planning and £75,671 in Building

Control where in both cases, income levels are significantly lower than budgeted. More detailed information of variances within the services that fall under Operational Services Committee are detailed in the yearend finance report presented to that Committee on the 23rd June 2025.

- 3.5 The total yearend underspend for Finance and Assets Committee is £1,604,245. There are variances in a number of service areas which total to this figure, explanations for the larger variances are detailed in the table below:

Service	Variance £	Explanation
Civic Relations	(£12,888)	No civic event took place in year and there was also a saving on staff costs.
Corporate Management	(£61,056)	The £100,000 inflation contingency budget was not spent, but there was an increase in the External Audit Fee due to the additional work required under revised standards.
Council Tax Collections Costs	(£35,067)	ARP underspent at yearend and was therefore able to refund the partner councils some of the management fee paid earlier in the year.
Economic Development	(£98,502)	Occupancy rates at E-Space North were in advance of the level projected in the budget. There were further savings on utilities following the installation of solar panels at E-Space North, and savings in staff costs within the Economic Development Team as a result of vacancies during the year.
Finance	(£18,589)	Savings in salary costs due to the team having three vacancies at various times during the year – all posts have now been filled.
General Gang	(£56,178)	This results from salary savings during the year. The current staffing requirement is being reviewed.
Housing Benefits	£20,123	When the 2024/25 budget was prepared, we only had the August 2023 Housing Benefit Subsidy return to calculate the budget. The variance reflects the final position for the year.
Housing Strategic	(£121,690)	There were savings in salaries and the consultants' budget – some were filled by SLA agreements – other remain unfilled throughout the year.
Human Resources (Including Training)	(£44,659)	The underspend has been caused by training courses needing to be booked in advance, resulting in a high proportion of pre-payments being rolled into the next financial year. Also, some internal training was delayed until 2025/26.

Interest & Financial Transactions	(£865,416)	Interest received on investments was significantly in advance of the budget. Interest rates reduced more slowly than prudently anticipated when the budget was built, and also the underspend on both revenue and capital resulted in higher cash balances than forecast.
Information Technology	£87,554	The overspend is the result of work being completed in line with the new hardware and infrastructure renewal plan, this to ensure that all hardware remains in support.
Land Charges Admin	(£13,302)	Saving on the salary budget and increase in the Search Fee income.
Legal Services	(£40,867)	This is the result of savings on salaries as a consequence of vacancies within the Legal team during the year.
Local Plans	(£239,120)	The full budget set for the Local Plan was not needed following the decision of Council in February 2025 to not go ahead with the Plan.
Management Team	£19,336	This was the result of a reduced recharge of salary costs to the trading companies.
Member & Committee Support	(£77,908)	Due to staff changes during the year in Democratic Services, the salary budget has been underspent.
Office Accommodation	(£59,464)	This is the result of savings on salaries due to two early retirements in the team. The staff requirement is being reviewed before replacements recruited.
Parking of Vehicles	(£47,049)	There are savings in staff costs due to vacancies within the team. General rates invoices were also lower than budgeted.
Parks & Gardens Team	(£52,539)	Sanctuary income was in advance of budget due to the amount of ad-hoc work carried out for them in addition to the basic contract.
Public Conveniences	£59,479	Holiday and sickness absences were covered by external contractors at Ely, Littleport and Soham, which has resulted in additional costs. There has also been increases in electricity and water charges.
Reprographics	£25,984	A new printer was purchased in year.

Sport & Recreation	£19,895	Following an internal restructure in Autumn 2024, additional staff have been charged to Sports and Recreation resulting in this overspend, there is a contra underspend on the environment lines.
Internal Drainage Boards	(£56,543)	We have received Government grant (provided to a small number of councils most impacted by the increase in IDB levies). This was only announced in May 2024 and was not included in the budget.

Capital

- 3.7 The Council's revised capital budget stands at £7,752,117; including £1,105,576 of slippage brought forward from 2023/24 and additions during the year of £71,576.
- 3.8 The outturn position is £3,653.638, an underspend of £4,098,479. The net underspend relates to a number of schemes. The main underspends being; Waste wheeled bins (£1,000,000) where the new bins (linked to moving general waste from sacks to wheeled bins) will now be purchased in 2025/26 at the same point as the other Waste Service Review purchases; the Bereavement Centre where the revised timeline meant that no work on the ground took place in 2024/25 and so costs were lower than in the budget.
- 3.9 The loan to ECTC, where the companies cashflow required less borrowing in year than originally expected; with only £1.675 million in funds being drawn down and the loan to EC CLT where some buyers have put in more equity than expected in the original business case, resulting in the CLT needing to drawdown less of its loan facility from the Council. The solar panels at the Hive budget were installed in early 2025/26, and so this budget will be rolled forward to meet those costs in the new financial year. There was also an underspend, compared to that budget, in relation to the improvements being made at the depot.
- 3.10 The overspend relates to new vehicles for the parks and gardens team (part of ECTC), which will be funded from Section 106 contributions. These will be hired to the Trading Company at a cost to cover the Council's notional capital costs (depreciation and borrowing).

4.0 Conclusions

- 4.1 The net revenue expenditure for the Council is a £2,621,278 underspend compared to the approved budget. This has been moved to the Surplus Savings Reserve.

5.0 Additional Implications Assessment

- 5.1 In the table below, please put Yes or No in each box:

Financial Implications Yes	Legal Implications No	Human Resources (HR) Implications No
Equality Impact Assessment (EIA) No	Carbon Impact Assessment (CIA) No	Data Protection Impact Assessment (DPIA) No

5.2 Financial Implications

The underspend reported in this report has been added to the Council's Surplus Savings Reserve and will become available to balance the budget in future years.

6.0 Appendices

Appendix 1 – Summary Outturn Report – 31st March 2025

Appendix 2 – Operational Services Outturn Report – 31st March 2025

Appendix 3 – Capital Outturn Report – 31st March 2025

Appendix 4 – Reserve Balances – 31st March 2025

7.0 Background Documents:

Council Budget approved by Full Council on the 20th February 2024

