

**TITLE: BUDGET MONITORING REPORT**

Committee: Operational Services Committee

Date: 23<sup>rd</sup> September 2024

Author: Director, Finance

Report No: Z55

Contact Officer: Ian Smith

Director, Finance

Tel: (01353) 616470

E-mail: [ian.smith@eastcambs.gov.uk](mailto:ian.smith@eastcambs.gov.uk)

Room 104, The Grange, Ely

**1.0 Issue**

1.1 This report provides Members with details of the financial position for services under the Operational Services Committee.

**2.0 Recommendation(s)**

2.1 Members are requested to note that the Committee is currently projecting a yearend overspend of £135,000 on revenue, when compared to its approved budget of £7,134,292.

2.2 Members are further requested to note that the Committee has a projected capital programme outturn of £3,656,199. This is an underspend of £1,000,000 when compared to its revised budget.

**3.0 Background/Options**

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.

3.2 This is the first quarterly report for the 2024/25 financial year and details actual expenditure incurred and income received as of 30th June 2024 and the current projection as to the year-end position.

**Revenue**

3.3 The revenue budget for each service that falls under the stewardship of this Committee has been reviewed with appendix 1 detailing the current variance and forecast outturn for each service line.

3.4 The significant variances of actual spend compared to profiled budgeted spend at the end of June, where no variance is forecast for yearend, are detailed in the table on the next page:

<b>Service</b>	<b>Variance £</b>	<b>Explanation</b>
Community Infrastructure Levy (CIL)	(£390,046)	CIL transactions are treated as a revenue income or expense during the year, but any balance on the account at yearend is transferred to reserve.
Community Safety	(£12,913)	Police & Crime Commissioner grants received in 2024/25 received but not spent as yet.
Environmental – Admin and Health	(£30,599) (£73,264)	External grants had been rolled forward into 2024/25.
Homelessness	(£785,828)	Roll forward of the unspent 2023/24 Grants. Also includes 2024/25 Grants that have been paid to ECDC.
Licensing-Env Services	(£62,985)	Income has been received from taxi companies in relation to three-year licences, this will be apportioned over the length of the contract at the end of the financial year.

## Capital

- 3.5 The net revenue expenditure for this Committee at yearend is forecast to be £7,269,292. This reflects a forecast £135,000 overspend when compared to the approved budget. This is the combination of the forecast variations on service lines, as detailed in the table below.

<b>Service</b>	<b>Forecast Outturn Variance £</b>	<b>Explanation</b>
Building Control	£30,000	During the first quarter there was a significant drop in applications being submitted. [This is not an isolated instance for East Cambs, but a national industry-wide decline.] In East Cambs we are still maintaining our market share. This forecast represents the current view, but with the latest government announcement about house building, planning relaxations etc we are hopeful the position may

		improve later during this financial year.
Planning	£105,000	Planning income was lower than budgeted in the first quarter, due to the political uncertainty within the housing market and the fact that the Council has a strong 5-year housing land supply which has resulted in a lower number of speculative development applications.

3.6 The revised capital budget for Operational Services stands at £4,656,199 including net slippage of £381,234 brought forward from 2023/24 including Mandatory disabled Facilities Grants of £388,864.

3.7 The forecast outturn position for Committee is £3,656,199, an underspend of £1,000,000, which relates to the purchase of Waste bins. £1,000,000 was built into the budget as a contingency for buying new refuse bins when the Government’s Strategic Waste Review progressed, replacing the black sacks currently used in the District. With the implementation date of the Review, April 2026, these will not now be purchased until the 2025/26 financial year. This remains subject to a formal decision by Council.

**4. ARGUMENTS/CONCLUSION(S)**

4.1 The current forecast is that the Committee’s net revenue position will be an overspend of £135,000 at the end of the financial year.

**5. Additional Implications Assessment**

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

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

**5.2 Financial Implications**

The Committee overspend will be incorporated into the overall 2024/25 Council finance report, which is to be presented to Finance and Assets Committee on the 26<sup>th</sup> September 2024.

**6 APPENDICES**

Appendix 1 – Revenue budget monitoring report – 30<sup>th</sup> June 2024.

Appendix 2 – Capital budget monitoring report – 30<sup>th</sup> June 2024.

**7 Background Documents:**

Council Budget approved by Full Council on the 20<sup>th</sup> February 2024.