

Title: Budget Monitoring Report

Committee: Operational Services Committee

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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 year-end underspend of £229,000 on its revenue budget of £6,842,567.

2.2 Members are further requested to note that the Committee has a projected capital programme outturn of £14,987,148. This is also in line with the 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 third quarterly report for the 2025/26 financial year, and details actual expenditure incurred, and income received as of 31st December 2025 and the current projection as to the yearend 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 December, where an underspend of £229,000 is forecast for yearend, are detailed in the table on the next page:

| Service | Variance £ | Explanation |
|-------------------------------------|-------------------|---|
| Community Infrastructure Levy (CIL) | (£3,321,434) | 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 Projects & Grants | £69,985 | Sections 106 payments are coded to individual cost centres throughout the year. This is then transferred to the reserve account at closedown. |
| Dog Warden Scheme | (£11,123) | There was a vacancy in the team during the first nine months of the year. |
| Environmental Health | (33,288) | This includes an income for Environmental Housing which will be carried forward into 2026/27. |
| Care & Repair | £254,091 | Disabled Facility Grant improvements to clients' homes in Fenland have been carried out in the first nine months of the year, however the invoices for these are always raised in arrears. |
| Homelessness | £22,685 | Reconciliation of the grants received will be done at year end giving the picture of the spend levels. However, Hotel Rooms are currently overspent but will be reimbursed by housing benefit during the latter part of the year. |
| Marketing & Grants | (£23,325) | An accrued invoice from 24/25 will be paid once the work is completed. |
| Recycling | (£31,997) | Income we receive for Waste Recycling Credits will be paid in Quarter 3. |
| Refuse Collection | (£109,540) | Garden green wheelie bins income reconciliation will be carried out in the next Quarter. |

3.4.1 The net revenue expenditure for this Committee at yearend is forecast to be £6,613,567. This is an underspend of £229,000 when compared to the approved budget.

| | | |
|-------------------|------------|--|
| Licensing | (£150,000) | The licensing service continues to see increased levels of work entering the department both from the new restricted private hire type of licence and other areas of licensing, which has increased the costs and corporate oncosts. The income covers the budget and the oncosts, and will be adjusted once things stabilise, in order for discretionary fees remain at cost recovery levels. |
| Planning | (£144,000) | The Council has had a number of large projects where Planning Performance Agreements have been signed. This has brought in revenue with an expectation that we are resourced accordingly to meet the contractual demands. The Council has employed contractors to backfill where required and will have further expenses during the lifetime of these agreements. This coupled with strong application income, and a grant for Digital improvements which is currently being assessed as to how best to spend means that we are currently showing an underspend of £144,000. This figure will be reviewed in the last quarter and takes into account the above could be subject to change throughout the financial year. |
| Customer Services | (£25,000) | This is caused by a vacancy in the Customer Services Team. This will be reviewed over the next six months. |
| Building Control | £90,000 | This overspend is purely down to the current state of the building market. ECDC applications are up year on year by approximately 6.5% and market share has also increased by around 1.2%. The type of work being undertaken is not as large as seen in previous years as homeowners convert garages and carry out internal alterations instead of extending. New dwellings are also slow. ECDC is bucking the national trend with the aforementioned increases. This will be reviewed in the next quarter. |

Capital

- 3.5 The revised capital budget for Operational Services stands at £15,087,148 including slippage of £1,172,973 brought forward from 2024/25, this includes £520,505 for adaptations linked to Disabled Facilities Grants and Refuse & Cleansing Vehicles roll forward figures of £623,620. This also includes a revised latest figure for the Crematorium of £9,758,962.
- 3.6 The current forecast for Committee is a balanced budget position on capital at yearend.

4.0 Arguments / Conclusions

- 4.1 The current forecast is that the Committee's net revenue position will be a £229,000 underspend at the end of this financial year.

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 Committee's underspend has been incorporated into the overall 2025/26 Council Finance Report, which was presented to Finance and Assets Committee on the 29th January 2026. Any over or underspend at yearend, will be transferred to the Surplus Savings Reserve to assist in balancing the budget in future years.

6.0 Appendices

- 6.1 Appendix 1 – Revenue budget monitoring report – 31st December 2025.
6.2 Appendix 2 – Capital budget monitoring report – 31st December 2025.

7.0 Background Documents

Council Budget as approved by Full Council on the 25th February 2025.