

Item 7 – Financial Monitoring 2024/25: to the end of August 2024

The attached report was considered by Finance & Investment Advisory Committee on 24 October 2024. The relevant Minute extract is below.

Finance & Investment Advisory Committee (24 October 2024, Minute 30)

The Head of Finance presented the report which provided information on the revenue and capital position of the Council as at the 31 August 2024 together with the forecast financial position to the 31 March 2025.

The Officer confirmed that whilst the current forecast position was an unfavourable variance of £288,000, this represented an improvement of £29,000 from the July position. The Cost of Services under the Leisure contract was still expected to come in within the £1.8m budget over two years. Since publication of the report, the pay award for 2024/25 had now been agreed, and was £70,000 below the budget assumption.

The level of staff vacancies had given rise to an underspend of £1.2m. The largest variances were in Revenue and Benefits, Direct Services, Audit and Building Control. The savings forecasted were partly being used to offset agency costs and consultants. There was an unfavourable variance on Development Management due to planning fees being lower than anticipated. The Swanley Meeting point was also showing an adverse variance.

In terms of the more favourable variances, interest receipts from the Council's investment strategy continued to perform well and the Leisure Contract was forecasting a favourable variance of £124,000 due to the cost of borrowing to fund the White Oak Leisure Centre capital scheme being less than allowed for in the revised budget.

Members discussed the report and considered the way the financial figures were presented to Members, and how this information could be enhanced to assist with interpretation of the budget, including ringfenced monies, statutory service functions and further training. Members also expressed concern over the housing figures provided by West Kent Housing Association. Discussion took place on the projected overspend on refuse collections, and Members were reminded that this was being looked at by the Cleaner & Greener Advisory Committee. In response to a question Members were advised that an email would be circulated with details of what was included within Miscellaneous finance.

Action: For the Head of Finance to circulate to the Committee the details of miscellaneous finance as set out in the budget monitoring.

Following further discussion, the Portfolio Holder took the opportunity to remind Members that administration costs were regularly reviewed by management as well as productivity and reported through the performance indicators.

Resolved: That the report be noted.