

Finance Performance Report – Provisional Outturn 2024/25

Comments of Overview & Scrutiny Panel (Performance & Growth)

1.1 The Overview & Scrutiny (Performance & Growth) Panel discussed the report at its meeting on 10th June 2025.

1.2 Councillor Martin was appreciative that time was made for the report to be run through with him ahead of tonight's meeting. He wanted members of the public to understand that though this shows an overspending amount of £56,000, they are in fact £4 million better off than first set out in the budget. He reflected on the tough decisions they potentially wouldn't have had to make if they had known this would be the outcome. The Panel heard that £2 million of that £4.2 million was included within the budget as contributions to the Workforce Strategy to the Future Financial Sustainability earmarked reserves. The additional 2.2 million contributions to earmarked reserves were funded by additional interest receivable on cash investments. The Council has higher cash balances, and the interest has remained high. It was advised that if the interest changed or if they had not been as prudent in budget setting, the result would be very different, and it is impossible to predict when or if interest rates will change.

1.3 Councillor Jennings expressed his thanks for the table and its usefulness. He brought attention to the debt owed to the Council over a year old, referencing the £165, 000 owed to HDC for 3CICT services, wanting clarification about what this is and the likelihood of its recoverability. The Panel were informed that this is a primarily debt owed by Cambridge City Council for services. The new Chief Digital and Information Officer is on top of this and leaning heavily to get this debt paid. Councillor Jennings requested a layman's explanation for the Panel relating to the reduction in minimum revenue provision as he struggled to understand its meaning. The Panel heard that this is a statutory provision to repay debt. The provision is made up of many assets. This is based on the previous year's capital programme. It is best practise to review this annually and recalibrate it. If you don't have to make as much provision, that allows more money for Service provisions.

1.4 Councillor Taylor sought clarification on where the funding for the health and wealth building came from that was put aside at full Council. The Panel heard that this was a matter taken to the Overview & Scrutiny (Environment, Communities and Partnerships). A full discussion and presentation were given by Claudia Deeth and John Taylor to that Panel. The next steps are leading towards a small pilot scheme of grant arrangements. This issue falls under the remit of the other Scrutiny Panel and further clarification can be found in those papers and the recording.

1.5 Following the discussion, the Panel were informed that their comments would be added to the Cabinet report in order for an informed decision to be made on the report recommendations.