

STRATEGY AND RESOURCES SCRUTINY COMMITTEE

18 July 2024
5.00 - 5.36 pm

Present: Councillors Robertson (Chair), Gawthrop Wood (Vice-Chair), Baigent, Bennett, Bick and Young

Executive Councillors: S. Smith (Executive Councillor for Finance and Resources)

Officers Present:

Chief Executive: Robert Pollock

Chief Operating Officer: Jane Wilson

Chief Financial Officer: Jody Etherington

Committee Manager: Claire Tunncliffe

FOR THE INFORMATION OF THE COUNCIL

24/14/SR Apologies for Absence

Apologies were received from Councillor Sheil.

24/15/SR Declarations of Interest

Name	Item	Interest
Councillor Baigent	All	Personal: Member of Cambridge Cycling Campaign

24/16/SR Public Questions

No public questions were received.

24/17/SR 2023/24 General Fund Revenue and Capital Outturn, Carry Forwards and Significant Variances

Matter for Decision

The report presented for all Portfolios:

- i. A summary of actual income and expenditure compared to the final budget for 2023/24 (outturn position).
- ii. Revenue and capital budget variances with explanations.

- iii. Specific requests to carry forward funding available from budget underspends into 2024/25.

The outturn report presented reflected the Executive Portfolios for which budgets were originally approved (which may have changed since, for example for any changes in Portfolio responsibilities).

Decision of Executive Councillor for Finance and Resources

To recommend to Council to:

- i. Approve carry forward requests totalling £2,959,740 of revenue funding from 2023/24 to 2024/25, as detailed in Appendix C of the Officer's report. These were carry forward requests in excess of £50k. Requests up to and including £50k which total £153,720 are approved via delegated authority to the Chief Financial Officer.
- ii. Approve carry forward requests of £19,855,000 of capital resources from 2023/24 to 2024/25 to fund rephased net capital spending, as detailed in Appendix D of the Officer's report.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Chief Finance Officer.

In response to Members' questions the Chief Finance Officer and Executive Councillor said the following:

- i. There were significant capital programmes currently being undertaken, and some degree of slippage was not unusual.
- ii. Important to note that most capital spend was financed from resources ringfenced specifically for capital purposes. Would not be able redirect the monies to Council services.
- iii. Of the £20million carried forward, £3million of the capital finance was revenue finance and the rest financed from capital resources.
- iv. There was overspend and underspend on completed projects in general. Budgets ought to be built on a project-by-project basis, money should be available as and when required.
- v. There were overspends and underspends throughout the general fund which needed to be looked at when completing next year's budget

- setting review; a more detailed process with the services would be undertaken to understand why there was such underspends.
- vi. Underspends had occurred in the community wealth building programme; a substantial amount of funding had been agreed to this programme as it had been anticipated that this would start at the end of the financial year but didn't. This was not a front-line service issue but an 'over optimism issue', progress was still being made.
 - vii. Another underspend related to planning services due to changes introduced by Central Government, such as increase in planning application charges which meant that the service had received higher than forecast income.
 - viii. The real difference was shown in the finance & resources portfolio due to higher interest rates and higher investment balances. It was not that services were underspending but there had been an 'unexpected windfall' that had contributed to the variance highlighted.
 - ix. The general fund was under substantial pressure and savings were required for the Council to continue to fulfil their statutory duties. If this did not happen, then the money shown in reserves would be exhausted within three financial years.
 - x. Investments had been made in service transformation to make changes so the Council would not be forced to make an emergency budget.
 - xi. Agreed to the request to bring a detailed report on the two services areas shown in appendix B of the Officer's report under the title Major variances (>£50k) from final revenue budgets.
 - xii. Need to review the capital programme to ensure that what was in the programme was really required.

The Committee voted **by 3 votes to 0 with 2 abstentions** to endorse the Officer recommendations.

The Executive Councillor approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor

24/18/SR Annual Treasury Management Outturn Report 2023/24

Matter for Decision

The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management

activities and the actual prudential and treasury indicators for each financial year.

Decision of Executive Councillor for Finance and Resources

To recommend the Annual Treasury Management (Outturn) report to Council, which included the Council's actual Prudential and Treasury Indicators for 2023/24.

Reason for the Decision

As set out in the Officer's report.

Any Alternative Options Considered and Rejected

Not applicable.

Scrutiny Considerations

The Committee received a report from the Chief Finance Officer who said the following in response to Members' questions:

- i. The Council's investment in Barclays was not via Link but as their role as the main Council's bankers.
- ii. The Council held an ongoing banking contract with Barclays until 2026.
- iii. Following the Council's agreement at Full Council May 2024 to investigate the implications of stopping banking with Barclays, this was being investigated by Officers. Member consultation had been placed on hold during the pre-election period but now this was over, engagement with Members would begin.

The Committee voted **Unanimously** to endorse the Officer recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

The meeting ended at 5.36 pm

CHAIR