

3. **Financial Performance - Outturn 2024/25**

The Financial Services Manager:

a) presented a report to Performance Scrutiny Committee with the provisional 2024/25 financial outturn position on the Council's revenue and capital budgets, including:

- General Fund
- Housing Revenue Account
- Housing Repairs Service
- Capital Programmes

b) requested that Performance Scrutiny Committee note that the financial outturn was still subject to Audit by KPMG, the Council's external Auditors

c) provided information on the following:

- **General Fund Revenue Account** – for 2024/25 the Council's net General Fund Revenue Budget was set at £15,427,670, including a planned contribution to balances of £146,820 resulting in an estimated level of general balances at the year-end of £2,391,979. The finance performance quarterly monitoring report for quarter 3 predicted an underspend against the revised budget of £176,017 (before additional transfers to earmarked reserves and carry forward requests). The provisional outturn for 2024/25 now indicated an improvement of £604,852 (before additional transfers to earmarked reserves and carry forward requests) Based on this position, additional transfers to earmarked reserves, and carry forward requests, totalling £826,658 had been proposed which resulted in an overall budget underspend of £7. This represented a variance against the revised budget of less than 1%. Full details of the main variances were provided in Appendix B.
- **Housing Revenue Account** – for 2024/25 the Council's Housing Revenue Account (HRA) net revenue budget was set with a planned contribution from balances of £101,220, resulting in estimated general balances at year-end of £1,030,024 (after allowing for the 2023/24 outturn position). The financial performance quarterly report for quarter 3 predicted an underspend of £714,390. The provisional outturn for 2024/25 now indicated an overall budget underspend of £1,557,873 (before additional transfers to earmarked reserves and carry forward requests). Based on this position, additional earmarked reserves and carry forward requests totalling £1,404,580 had been proposed resulting in an overall budget underspend of £153,293. This would result in HRA balance as of 31st March 2025 of £1,183,317. Full details of the main variances were provided at Appendix D.

- **Housing Repairs Service** – For 2024/25 the Council's Housing Repairs Service (HRS) net budget was set at zero, which reflected its full cost recovery nature. The provisional outturn for 2024/25 showed the HRS had a surplus of £112,647 which was repatriated to the HRA. Full details of the main variances were provided at Appendix F.
- **General Investment Programme** – the revised General Investment Programme (GIP) for 2024/25 amounted to £22m following the quarter 3 report. At quarter 4 the programme had reduced by £3.06m to £18.97m as shown at paragraph 7.2. The overall spending on the General Investment Programme active schemes (including externally delivered schemes) for 2024/25 was £16.7m, which was 88.25% of the quarter 3 budget as detailed in Appendix I.
- **Housing Investment Programme** – the revised programme for 2024/25 amounted to £17.615m following the quarter 3 position. At quarter 4 the programme had decreased by £1.308m to £16.308m as shown at paragraph 7.10 of the report. The overall expenditure on the Housing Investment Programme for the final quarter was £16.508m, which was 93.66% of the budget as detailed at Appendix J of the report.

d) invited members' comments and questions.

Question: Were the Lincoln Town Deal Board projects ongoing? Could a list be provided of the projects that were still underway?

Response: The Financial Services Manager confirmed she would seek a list of ongoing Lincoln Town Deal Board Projects and circulate to the Committee for information.

Question: What was the Play Pitch Strategy?

Response: It was predominantly funding for leisure facilities with open spaces accessible to provide to the public.

Question: Would Members be involved in providing a steer on this?

Response: Yes, Members would be involved and a consultation would be submitted for it.

The Chair highlighted that the income generating streams for the Crematorium, Car Parking and Cornhill Market would need to be reviewed regularly going forward.

Question: Could the action plan for the Crematorium be shared with Members?

Response: The Directorate of Communities and Environment monitored income levels across all its service areas including Car Parks and the Crematorium on a monthly basis and made in year adjustments to encourage take up (in the case of services such as Car Parks, Green Waste Collections etc). The Action Plan for the Crematorium was derived from the issues that impacted in May 2024. Almost all of the actions had been completed, and a recent independent audit would be reported soon, after the police had completed their investigations which was anticipated to be very shortly. The Assistant Director for Strategic Development confirmed that the report would be brought to committee once it was released.

Question: With regards to complaints and reporting, how could the Council turn properties around quicker and avoid bringing contractors in?

Response: The Assistant Director for Strategic Development explained that a report on the Workforce Development Strategy would be brought to Performance Scrutiny in September.

RESOLVED that:

- a. The Financial Services Manager collate a list of current ongoing Lincoln Town Deal Board Projects and circulate to the Committee for information.
- b. The Action Plan for the Crematorium be brought to a future Performance Scrutiny Committee once released.
- c. The Workforce Development Strategy be brought to Performance Scrutiny Committee in September 2025.
- d. Performance Scrutiny Committee noted the provisional 2024/25 financial outturn for the General Fund, Housing Revenue Account, Housing Repairs Service and Capital Programmes as set out in sections 3 – 7 and, in particular the reasons for any variances.
- e. The new General Fund carry forward requests and transfers to earmarked reserves, as detailed in paragraph 3.10 and 3.11 prior to reporting to the Executive be reviewed and noted.
- f. The new HRA carry forward requests and transfers to earmarked reserves and the Major Repairs reserve detailed in paragraph 4.8 and 4.9 prior to reporting to the Executive be noted.
- g. The changes to the General Investment Programme and Housing Investment Programme as approved by the Chief Finance Officer as detailed in paragraphs 7.6 and 7.14 prior to reporting to the Executive be noted.
- h. The changes to the General Investment programme and the Housing Investment programme approved, or to be approved, by the Executive as detailed in paragraphs 7.3, 7.5, 7.11, 7.12 and 7.13, prior to reporting to the Executive be noted.
- i. The content of this report be noted and referred to the Executive for approval.