



REPORT TO:	Cabinet
DATE:	8 th July 2025
SUBJECT:	2024/25 Draft Outturn Finance Update
PURPOSE:	To report on the Councils Finances as at the 31st March 2025
KEY DECISION:	N/A
PORTFOLIO HOLDER:	Councillor Redgate – Portfolio Holder for Finance
REPORT OF:	Brendan Arnold – Interim Director of Finance and S151 Officer
REPORT AUTHOR:	Rashpal Sohal, Interim Strategic Finance Manager, PSPS
WARD(S) AFFECTED:	N/A
EXEMPT REPORT	No

SUMMARY

This report sets out a summary of the current financial position for the Council at the year end of 2024/25 for members consideration.

RECOMMENDATIONS

It is recommended that Cabinet:

- 1) Notes the General Fund draft outturn position for 2024/25 being an underspend of £317,000 as detailed in Table 1.
- 2) Notes the HRA draft outturn position for 2024/25 being an underspend of £13,000 as detailed in Table 2.

RECOMMENDATIONS TO COUNCIL FROM CABINET:

It is recommended that Cabinet approves the following recommendations for onward referral to Full Council:

- 3) That Cabinet approves and recommends to Full Council the transfer part of the surplus (£217,000) to the General Fund Reserve.

- 4) The Cabinet approves and recommends to Full Council the transfer of part of the surplus (£100,000) to be transferred into a Parish Councils Loan Reserve pending the drafting of the loan scheme by officers for Cabinet in due course.
- 5) That Cabinet approves and recommends to Full Council the transfer of the HRA surplus (£13,000) to the HRA General Reserve.
- 6) That Cabinet refers to Full Council to approve the reserves transactions and balances as set out in Appendix A - Table 3 for 24/25.
- 7) That Cabinet recommends to Full Council the approval of the 2024/25 capital outturn position presented in Table 4a
- 8) That Cabinet recommends to Full Council the capital rephasing from 2024/25 to 2025/26 presented in Table 4c.
- 9) That Cabinet recommends to Full Council to amend the Capital Programme at Appendix A – Table 5a to Table 5d considering the changes set out in this report.

REASONS FOR RECOMMENDATIONS

To ensure the Council's draft outturn financial position for 2024/25 is considered and related decisions approved. It is important that the Cabinet are aware of the financial position of the General Fund and Housing Revenue Account to ensure that they can make informed decisions that are affordable and financially sustainable for the Council.

OTHER OPTIONS CONSIDERED

To not approve the financial movements outlined.

REPORT

1. BACKGROUND

1.1 Appendix A provides information on the full year financial performance as at 31 March 2025 for the following areas:

- The General Fund Revenue Budget,
- The General Fund Reserves Position,
- The Capital Programme for 2024/25,
- The HRA Revenue Budget,
- The HRA Reserves Position,
- The HRA Capital Programme for 2024/25, and
- The Treasury Management Performance for the year.

General Fund Revenue Provision Outturn

1.2 At the 31 March 2025, the general fund draft outturn position was an underspend of £317,000 and it is recommended that this is transferred to the Investment and Growth Reserve. Budget pressures experienced by the services, largely a result of the inflationary environment and outstanding efficiencies targets, were offset by additional investment income earned due to high interest rates. The outturn position by Assistant Director/Corporate Finance areas is detailed at Appendix A - Table 1 together with an analysis of variations.

Savings Target – General Fund

- 1.3 An efficiency target of £831,000 is included in the 2024/25 General Fund budget. Saving opportunities are being monitored throughout the year, this information is detailed in Appendix A – Table 1c of the report. The position reflects the IDB funding support and savings within IT, savings/income identified as part of the monitoring process and an apportionment of the unallocated balance against the outturn surplus. In year monitoring identified £515,000 (62%) with a net saving requirement of £316,000 not matched against known schemes.

Capital – General Fund

- 1.4 The total General Fund Capital Programme for 2024/25 was £6.116m, actual capital expenditure for Q4 2024/25 is £4.829m as presented in Table 4a.
- 1.5 Table 4c outlines the Capital Programme carry forwards to future years, amounting to £277,000 and includes details of the schemes as well as their corresponding financing, which constitutes one of the recommendations to the Cabinet.

2. Housing Revenue Account (HRA)

HRA Revenue Budget

- 2.1 The HRA revenue outturn position as at 31 March 2025 was a net surplus of £13,000 as detailed in Appendix A – Table 2.

Capital – HRA

- 2.2 The total HRA Capital Programme for 2024/25 is £21.851m with actual capital expenditure of £14,816m at 31st March 2025, as detailed in Appendix A – Table 5a.
- 2.3 Alongside the revenue budget reset in Q1, following a review the HRA Capital Programme Q2 budget has also been reset. A stock condition survey programme is ongoing, which alongside the Asset Management Strategy, will inform future investment decisions.

Reserves – General Fund and HRA

- 2.4 General Fund and Specific Reserves at 31 March 2025 had balances totalling £7.408m (31 March 2024 £6.792m). The General Fund Reserve Balance remains at £2.078m. Further specific details are set out in Appendix A – Table 3.

3. Treasury Management

3.1 Section 2.6 of Appendix A provides details of the Council's Treasury Investments as at 31 March 2025. The Council's 2024/25 budget for investment income is £1.544m, the draft outturn position for investment income at Q4 is £1.990m.

3.2 The higher levels of investment income compared to the budget is due to increased balances available for investment resulting from an increased cashflow surplus and increased interest rates.

CONCLUSION

To ensure that the draft outturn position for 2024/25 is scrutinised.

IMPLICATIONS:

None

SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP

None

CORPORATE PRIORITIES

None

STAFFING

None

CONSTITUTIONAL AND LEGAL IMPLICATIONS

None

DATA PROTECTION

None

FINANCIAL

As contained in this report and Appendix A.

STAKEHOLDER / CONSULTATION / TIMESCALES

None

REPUTATION

None

CONTRACTS

None

CRIME AND DISORDER

None

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None

HEALTH AND WELL BEING

None

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None

APPENDICES	
Appendices are listed below and attached to the back of the report: -	
Appendix A	Q4 Draft Outturn Finance Report 2024/25

BACKGROUND PAPERS

None

REPORT APPROVAL	
Report author:	Rashpal Sohal, Interim Strategic Finance Manager, PSPS
Signed off by:	Brendan Arnold, Interim Director of Finance & S151 Officer
Approved for publication:	Councillor Paul Redgate Portfolio Holder for Finance