

DECISION-MAKER:	CABINET		
SUBJECT:	FINANCIAL POSITION UPDATE		
DATE OF DECISION:	25 MARCH 2025		
REPORT OF:	COUNCILLOR LETTS DEPUTY LEADER AND CABINET MEMBER FOR FINANCE AND CORPORATE SERVICES		
<u>CONTACT DETAILS</u>			
Executive Director	Title:	Executive Director Enabling Services and S151 Officer	
	Name:	Mel Creighton	Tel: 023 8083 3528
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Author:	Title:	Interim Director of Finance	
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STATEMENT OF CONFIDENTIALITY
Not Applicable
BRIEF SUMMARY
<p>This report provides a summary of the financial position of the council for 2024/25 as at the end of February 2025 (month 11).</p> <p>The position as at the end of February 2025 is a £20.30M favourable variance, with the detail set out in Appendix 1. This is a further positive movement of £1.34M compared to the position at month 10 (£18.97M favourable variance forecast).</p>

RECOMMENDATIONS:

	Cabinet is recommended to:
i)	Agree the £0.10M adjustments to be made to directorate budgets to reflect sustained favourable variances reported at month 11 of 2024/25 due to transformation measures, to be transferred to centrally held contingency to reduce the reliance on Exceptional Financial Support (EFS), as set out in paragraph 6.
REASONS FOR REPORT RECOMMENDATIONS	
1.	To ensure that Cabinet fulfils its responsibilities for the overall financial management of the council's resources.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	Not applicable.
DETAIL (including consultation carried out)	
	<u>Latest Financial Position</u>

3. The forecast financial position of the council as at the end of February 2025 (month 11) is set out at Appendix 1. Table 1 summarises the General Revenue Fund Forecast.

4. **Table 1 – General Revenue Fund Forecast 2024/25**

	Working Budget Month 11 £M	Forecast Outturn Month 11 £M	Forecast Variance Month 11 £M	Movement Month 10 to Month 11 £M
Children & Learning	49.86	48.54	(1.33) F	(0.33) F
Community Wellbeing	77.91	75.72	(2.19) F	(0.24) F
Enabling Services	25.57	24.65	(0.91) F	(0.02) F
Growth & Prosperity	35.70	34.34	(1.35) F	(0.02) F
Resident Services	25.99	24.79	(1.20) F	(0.44) F
Strategy & Performance	5.52	4.96	(0.57) F	0.00
Total Directorates	220.55	213.00	(7.55) F	(1.05) F
Centrally Held Budgets	34.21	21.50	(12.70) F	(0.28) F
Net Council Expenditure before EFS	254.76	234.50	(20.25) F	(1.34) F
Centrally Held Funding	(215.48)	(215.53)	(0.05) F	0.00
Net Over/(Underspend) before EFS	39.28	18.97	(20.30) F	(1.34) F
Exceptional Financial Support (EFS)	(39.28)	(18.97)		
Net Over/(Underspend)	0.00	0.00		

Numbers are rounded. 'F' indicates as favourable variance, 'A' is an adverse variance

5. Sustained favourable variances are being achieved by directorates through demand management transformation activity and other measures. In accordance with the Business Planning & Budgeting Framework, agreement is sought to transfer these budgets to centrally held contingency. Table 2 summarises the proposed budget adjustments.

6.	Table 2 – Proposed Budget Adjustments														
	<table border="1"> <thead> <tr> <th></th> <th>Budget Adjustment £M</th> </tr> </thead> <tbody> <tr> <td><u>Growth & Prosperity</u></td> <td></td> </tr> <tr> <td>Corporate Estates – vacancy deletions</td> <td>(0.10)</td> </tr> <tr> <td>Total Directorates</td> <td>(0.10)</td> </tr> <tr> <td><u>Centrally Held Contingency</u></td> <td></td> </tr> <tr> <td>Budget transferred for sustained favourable variances</td> <td>0.10</td> </tr> <tr> <td>Net Adjustment</td> <td>0.00</td> </tr> </tbody> </table> <p style="text-align: center;">Numbers are rounded</p>		Budget Adjustment £M	<u>Growth & Prosperity</u>		Corporate Estates – vacancy deletions	(0.10)	Total Directorates	(0.10)	<u>Centrally Held Contingency</u>		Budget transferred for sustained favourable variances	0.10	Net Adjustment	0.00
	Budget Adjustment £M														
<u>Growth & Prosperity</u>															
Corporate Estates – vacancy deletions	(0.10)														
Total Directorates	(0.10)														
<u>Centrally Held Contingency</u>															
Budget transferred for sustained favourable variances	0.10														
Net Adjustment	0.00														
7.	Whilst this year’s financial position is a positive one, there remains considerable risk in the next financial year as set out in the section 25 statements contained within the 2025/26 budget report and the position will continue to be monitored monthly.														
RESOURCE IMPLICATIONS															
<u>Capital/Revenue</u>															
8.	The revenue implications are contained in the report.														
<u>Property/Other</u>															
9.	None.														
LEGAL IMPLICATIONS															
<u>Statutory power to undertake proposals in the report:</u>															
10.	Financial reporting is consistent with the Section 151 Officer’s duty to ensure good financial administration within the council.														
<u>Other Legal Implications:</u>															
11.	None.														
RISK MANAGEMENT IMPLICATIONS															
12.	Risk management implications are contained in the report.														
POLICY FRAMEWORK IMPLICATIONS															
13.	None.														

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	Financial position update report month 11 2024/25
2.	

Documents In Members' Rooms

1.	
2.	

Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out?	No
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Privacy Impact Assessment

Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out?	No
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	The 2024/25 Budget and Medium Term Financial Strategy (Council 6 March 2024)	
2.		