

## Introduction

1. This annex sets out the final financial monitoring update for the 2024/25 financial year and is based on information covering the period from 1 April 2024 to 31 March 2025.
2. The following additional information is provided to support the information in this Annex:

Annex B – 1 (a) to (e)	Detailed directorate positions 2024/25
Annex B – 2	Virements to note
Annex B – 3	Earmarked reserves
Annex B – 4	Government grants
Annex B – 5	General Balances

## Overview of 2024/25 Expenditure & Funding

3. The budget for 2024/25 and Medium-Term Financial Strategy to 2026/27 was agreed by Council on 20 February 2024. £68m new funding to meet inflationary and demand pressures was included as part of the budget for 2024/25 along with £30.1m budget reductions less £4.1m savings risk adjustment. There was also funding for investments totalling £11.6m.
4. This is the final update for 2024/25 and sets out the final expenditure against the agreed budget as well as an update on the achievement of planned budget savings and investments.

### Service Area Budgets & Expenditure

5. The table below summarises the service area's net expenditure compared to the final budget and shows the movement since the report to Cabinet in March 2025. At the end of 2024/25 there was a service area underspend of £0.3m.
6. There has been strong financial management within services that has led to an outturn £12.8m underspend position. £12.5m of the overall underspend arises from corporate budgets particularly contingency and interest on balances from higher-than-expected interest rates. At the time of setting the 2025/26, there was a significant forecast underspend. It was agreed to support the 2025/26 budget by £10.8m.

## Annex B

### Business Management & Monitoring Report March 2025

	Final Budget	Total Spend	Year End Variance	Year End Variance	Variance March Cabinet	Change in Variance
Adult Services	£249.0m	£245.1m	£3.9m	-1.6%	£4.2m	£0.3m
Children's Services	£202.1m	£202.3m	£0.1m	0.1%	£1.3m	£1.2m
Environment & Highways	£53.5m	£54.3m	£0.8m	1.5%	£0.2m	£0.6m
Economy & Place	£16.9m	£16.7m	£0.3m	-1.5%	£0.2m	£0.5m
Oxfordshire Fire & Rescue Service and Community Safety	£28.9m	£29.5m	£0.6m	2.2%	£0.6m	£0.0m
Public Health & Communities	£12.9m	£13.0m	£0.1m	0.5%	£0.2m	£0.2m
Resources and Law & Governance	£59.8m	£61.2m	£1.5m	2.5%	£1.3m	£0.2m
Transformation, Digital & Customer Experience	£8.2m	£9.0m	£0.7m	9.1%	£1.0m	£0.3m
<b>Service Areas Total</b>	<b>£631.3m</b>	<b>£631.0m</b>	<b>£0.3m</b>	<b>0.0%</b>	<b>£0.6m</b>	<b>£0.9m</b>
<b>Strategic Measures</b>						
Capital Financing	£21.3m	£21.7m	£0.4m	2.0%	£3.5m	£3.9m
Interest on Balances	£10.7m	£17.4m	£6.8m	63.2%	£4.6m	£2.1m
Contingency	£0.5m	£0.1m	£0.6m	-128.8%	£3.3m	£2.7m
Pay Inflation	£4.8m	£0.0m	£4.8m	-100.0%	£4.7m	£0.1m
Un-ringfenced Specific Grants	£56.4m	£56.4m	£0.0m	0.0%	£0.0m	£0.0m
Insurance	£1.7m	£1.5m	£0.2m	-13.6%	£0.0m	£0.2m
Contribution from COVID-19 reserve	£3.8m	£3.8m	£0.0m	0.0%	£0.0m	£0.0m
Contribution from Budget Priority Reserve	£1.6m	£1.6m	£0.0m	0.0%	£0.0m	£0.0m
Contributions to reserves	£23.1m	£22.5m	£0.6m	-2.4%	£5.0m	£5.6m
<b>Total Strategic Measures</b>	<b>£17.9m</b>	<b>£30.5m</b>	<b>£12.5m</b>	<b>70.1%</b>	<b>£11.1m</b>	<b>£1.4m</b>
<b>Net Operating Budget</b>	<b>£613.5m</b>	<b>£600.6m</b>	<b>£12.9m</b>	<b>-2.1%</b>	<b>£10.5m</b>	<b>£2.4m</b>
Business Rates & Council Tax funding	£613.5m	£613.3m	£0.1m	0.0%	£0.0m	£0.1m
<b>Forecast Year End Position</b>	<b>£0.0m</b>	<b>£12.8m</b>	<b>£12.8m</b>	<b>-2.1%</b>	<b>£10.5m</b>	<b>£2.3m</b>

Note: the figures in all tables have been rounded - this may mean the overall totals vary slightly to the sum of the figures included in them.

#### Contingency & Pay Inflation

- £6.3m of the £14.4m pay inflation budget was transferred to Service Areas to meet the cost of the additional pay inflation in 2024/25 following the agreement of the Green & Grey Book, and Soulbury pay awards. Also £0.3m was transferred meet the cost of pay inflation for in year recruited vacant posts. £3.0m has been used to fund a one-off contribution to the Local Government Re-organisation and Devolution reserve. The remaining pay inflation budget was £4.8m. The on-going budget not needed to fund pay inflation in 2024/25 is available to meet the cost of pay inflation in 2025/26.
- The underspend against £7.0m of the contingency budget has also been added to the Local Government Re-organisation & Devolution reserve.

#### MTFP 2024/25 Savings & Investment

- The 2024/25 budget includes planned services savings of £30.1m. This was offset by a budgeted risk adjustment of £4.1m added to reflect risks around the achievement of savings for Children's Services. The undelivered savings for 2024/25 total £6.0m and include:

- £1.1m savings related to Children's Services staffing, agency staff, contract savings and placements.
- £2.2m arising from delays to the introduction of Lane Rental charges in Environment & Highways.
- £0.7m Environment & Highways waste collections and other income generation targets.
- £1.1m delivering Future together savings target implementation delays.

10. The 2024/25 budget also includes planned service area investments totaling £11.6m. £4.5m has been spent on planned programmes of work in 2024/25. £1.8m expenditure will take place in 2025/26 so it is recommended that this funding is temporarily transferred to the Budget Priorities reserve ahead of use. Of the £5.3m released investments, £4.1m has been used to support service pressures as explained in previous reports.

#### Overview of General Balances & DSG High Needs Balances

11. The risk assessed level of one – off funding held in general balances in 2024/25 is £30.2m. A residual balance of £2.3m relating to the underspend at the end of 2023/24 was agreed to be held in balances as part of the Provisional Outturn Report for 2023/24. After taking account of the underspend of £12.8m, balances are £15.1m above the risk assessed level as at 31 March 2025. The use of £10.8m of this total was already agreed as part of the 2025/26 budget. Based on the actual outturn position and agreed use, balances will be £4.3m above the risk assessed level for 2025/26 as at 1 April 2025.

12. The 2024/25 deficit compared to Dedicated Schools Grant (DSG) funding for High Needs is £36.5m, £15.3m higher than the £21.2m deficit budget approved by Council in February 2024. The CIPFA code of practice requires negative High Needs DSG balances to be held in an unusable reserve. The deficit would increase the cumulative negative High Needs DSG balance held in this reserve from £55.8m as at 31 March 2024 to £92.3m at 31 March 2025.

## Service Financial Positions as at 31 March 2025

### Adult Services

13. The service is reporting an underspend position of £3.8m against a budget of £248.9m (-1.6%) due to robust financial management and continuing the Oxfordshire Way approach which supports people to live well in their community, remaining independent for as long as possible.

Service Area	Final Budget £m	Total Spend £m	Year end Variance £m	Variance March Cabinet £m	Change £m
Adult Social Care	28.9	28.5	-0.4	0.3	-0.7
Health, Education & Social Care Commissioning	6.9	6.3	-0.7	-0.3	-0.4
Business Support Service	1.2	1.1	-0.1	0.0	-0.1
Pooled Budgets	211.9	209.2	-2.7	-4.2	1.5
<b>Total Adult Services</b>	<b>249.0</b>	<b>245.1</b>	<b>- 3.9</b>	<b>- 4.2</b>	<b>0.3</b>

### Pooled Budgets

14. Pooled Budgets are reporting an underspend of £2.7m (-1.3%).

15. Budgets allocated for risk, demography and inflationary related pressures within the pooled budgets in 2024/25 were £20.8m, -£18.1m was directly allocated to the pools to cover demographic and inflationary pressures. £2.7m earmarked for in-year risk was not required as all further pressures arising during the financial year were managed within the existing budget.

### **Age Well Pooled Budget**

16. The Age Well combines health and social care expenditure on care homes, activity relating to hospital avoidance and prevention and early support activities for older people. Budgets within the pool are managed on an aligned basis with the Integrated Care Board (ICB) for Buckinghamshire, Oxfordshire, and Berkshire West (BOB).

17. The council's share of the Better Care Fund (BCF) utilised within the pool is £31.1m in 2024/25, an increase of 5.66% from 2023/24. Age Well is reporting a breakeven position. The position assumes that all savings are delivered.

- The Reablement and Discharge to Assess service has seen a managed significant increase in activity during 2024/25. Numbers increased by 27% from an average of 437 per month in 2023/24 to an average of 555 per month in 2024/25. This investment has benefited the wider system, moving people out of hospital earlier whilst ensuring they receive the correct level of care. This has resulted in an increased cost of £4.8m
- Care Homes have seen a 14% reduction in the level of activity during 2024/25 resulting in a £3.6m underspend. This aligns to our Oxfordshire Way strategy, helping to support more people to live independently at home
- Support at Home are reporting a £1.0m overspend primarily reflecting an increase in equipment, supported living and direct payments.
- The overall £2.2m pressure within the Age Well pool has been offset from within the risk budget as mentioned in paragraph 18 in this report

### Live Well Pooled Budget

18. The Live Well pool supports a mix of health and social care needs for adults of working age with learning disabilities, acquired brain injury or mental health needs and adults with physical disabilities.

19. Budgets within the pool are managed on an aligned basis with the Integrated Care Board (ICB) for Buckinghamshire, Oxfordshire, and Berkshire West (BOB).

20. The Live Well pool is reporting a breakeven position for 2024/25.

- The High Functioning Autism budgets saw unexpected in year pressures due to activity levels which led to a £2.3m overspend. The number of supported people increased by 59 during 2024/2025 which represents a 64% increase which created this pressure.
- Learning Disabilities budget is reporting a £0.4m overspend, this primarily

related to the high costs of voids for supported living placements

- Physical Disabilities are reporting a £0.7m overspend highlighting an increase in Home Support activity. On average the number of people supported increased by 25 over the year 2024/2025.
- The overall £3.4m pressure within the Live Well pool has been offset from within the risk budget as detailed in paragraph 18 in this report.

### Non-Pool Services

21. An underspend of £1.1m is reported across all other services.
22. Adult Social Care underspend is reported as £0.5m. This was a result of one off funding being utilised in 2024/25 to support safeguarding. The service area benefitted from increased Deputyship Management fees agreed by the Office of Public Guardian with effect from April 2024, which are contributing to savings from 2025/26.
23. Health Education and Social Care commissioning reported an underspend of £0.6m. This is a result of vacant posts held throughout the year and one-off additional funding received.

### Savings

24. The 2024/25 budget included planned savings of £4.3m. 98%, £4.2m of savings were delivered. There was also £0.3m of savings brought forward from 2023/24 to be delivered in 2024/25 which was fully delivered.

### Investments

25. A total one-off investment of £1.2m was made into the Adult Social Care budget in 2024/25. £0.1m was spent in-year on digital projects to support practitioners to make better use of data. £0.4m has been committed to be spent on further digital innovations in 2025/26. The remaining £0.7m has been returned to corporate reserves to fund other council priorities.

### Reserves

	Balance at 31 March 2024	Movement	Balance at 31 March 2025
Held within Grants and Contributions reserve:	-£0.5m	£0.1m	-£0.4m
Held within Government Initiatives reserve:	-£0.1m	£0.0m	-£0.1m
Held within Trading Accounts reserve:	-£0.0m	£0.0m	-£0.0m
Held within Capital & Equipment reserves:	-£0.1m	£0.0m	-£0.1m
Held within Budget Priorities reserve:	-£1.9m	-£3.6m	-£5.5m
<b>Overall Service area earmarked reserves</b>	<b>-£2.7m</b>	<b>-£3.4m</b>	<b>-£6.1m</b>

### Government Grants

26. As set out in Annex B-4, ring-fenced government grants received by the directorate in 2024/25 total £22.2m.
- Improved Better Care Fund Grant is £10.7m in 2024/25, with no change since 2023/24. The conditions attached to the grant funding require it to be used for the purposes of meeting adult social care needs, including contributing to the stabilisation of local care markets and supporting the

NHS is addressing pressures such as delayed discharges.

- Market Sustainability and Improvement Fund is £10.0m and has been used to support the provider fee uplift in 2024/25 in line with the terms of the grant, to enhance the uplift, and to maintain uplifts from 2023/24 funded through the Market Sustainability and Fair Cost of Care grant which now forms part of this grant.
- Adult Social Care Discharge Fund is £2.5m which has been used to provide interventions that improve discharge of patients from hospital to the most appropriate location for their ongoing care.

### **Medium Term Financial Strategy Savings**

27. The 2024/25 budget includes planned services savings of £30.1m. This was offset by a budgeted risk adjustment of £4.1m added to reflect risks around the achievement of savings for Children's Services. The overall savings have been adjusted accordingly.

28. Undelivered savings for 2024/25 total £6.0m (25%, if based on original target of £30.1m – 34%) . This is mainly due to:

- £1.1m Children Services staffing, agency staff, contract savings and placements
- £2.2m in Environment & Highways related to delays in the introduction of Lane rental charges.
- £0.7m in Environment & Highways relating to waste and other income generation targets.
- £1.1m Delivering the Future Together savings target implementation delays.

Service Areas	2024/25 Planned Savings	Actual delivery	Unachieved savings
Adult Services	-£4.3m	-£4.2m	-£0.1m
Children's Services	-£8.2m	-£7.1m	-£1.1m
Environment & Highways	-£8.1m	-£4.8m	-£3.3m
Economy and Place	-£1.0m	-£1.0m	£0.0m
Public Health & Communities	-£0.5m	-£0.5m	£0.0m
Fire & Rescue Service and Community Safety	-£0.5m	-£0.2m	-£0.3m
Resources and Law & Governance	-£1.9m	-£1.8m	-£0.1m
Transformation, Digital & Customer Experience	-£1.5m	-£0.5m	-£1.1m
<b>TOTAL</b>	<b>-£26.0m</b>	<b>-£20.0m</b>	<b>-£6.0m</b>

### Adult Services

29. The 2024/25 budget included planned savings of £4.3m. 98% of these savings have been delivered. Undeliverable savings relate to an action to reduce the outstanding unsecured debt.

### **Medium Term Financial Strategy Investments**

30. The 2024/25 budget also includes planned service areas investments of £11.6m. £4.5m (39%) has been spent on planned programmes of work and £1.8m (16%) is now expected to be spent in 2025/26. This is proposed to be temporarily transferred to the Budget Priorities Reserve. Of the £5.3m (46%) released investments, £4.1m was approved to support service pressures.

Service Areas	2024/25 Planned Investments	2024/25 Actual	Rephased to 2025/26	Overall Position	Investments released
Adult Services	£1.2m	£0.1m	£0.7m	£0.7m	£0.5m
Childrens Services	£6.4m	£1.7m	£0.5m	£2.2m	£4.1m
Environment & Highways	£2.2m	£1.6m	£0.0m	£1.6m	£0.6m
Economy and Place	£0.7m	£0.5m	£0.0m	£0.5m	£0.1m
Resources and Law & Governance	£0.6m	£0.5m	£0.1m	£0.6m	£0.0m
Transformation, Digital & Customer Experience	£0.5m	£0.0m	£0.5m	£0.5m	£0.0m
<b>TOTAL</b>	<b>£11.6m</b>	<b>£4.5m</b>	<b>£1.8m</b>	<b>£6.3m</b>	<b>£5.3m</b>

### Adult Services

31. Planned one – off investments of £1.2m were agreed as part of the 2024/25 budget. £0.7m has been carried forward to be delivered in 2025/26

### **Debt Management**

#### **Adult Social Care Contribution Debtors**

32. The 120-day invoice collection rate was 93% in March 2025, 1% above the 92% target.
33. The final balance of adult social care contribution debt requiring impairment was £4.5m, matching the 2024/25 carried forward balance. £0.1m of savings linked to a reduction in the impairment were not achieved.
34. There were 271 Adult Social care write-offs processed this year with a value of £0.868m, this equates to 1.7% of the value of invoices raised (£50.8m) and 0.7% above target.