

Appendix 2 - Report Details – Additional Revenue narrative

Chief Executive

Chief Executives are forecasting an overspend of £0.320m against a budget of £6.970m (4.6%).

HR & OD	HR are forecasting to remain in budget at present.
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£0.000m Variance

Variance to October's
forecast
£0.000m

Wellbeing Community	& The overspend has reduced this month due to an improving position with grant funding.
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Variation
£0.160m
Overspend

Variation to October's
Forecast
(£0.120m)

Customer Focus	A drop in land charges income, and a final payment to OCC for a shared service has meant a slight increase in the overspend predicted for year end. However, the majority of the predicted £0.160m overspend is still down to us establishing the support structure needed to be a standalone authority.
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Variation to October's
Forecast
£0.025m

Resources

Resources are reporting an overspend of £0.251m against a budget of £5.180m (4.8%).

Finance	Bank Charges have increased for the council due to increasing numbers of card payments being taken by the council and Bank Transfer payments being made by the council £0.058m.
Variation £0.086m	
Overspend	Decoupling costs linked to advertising costs for senior posts of £0.038m have been incurred. There are minor variations over the rest of the service (£0.009m).
Variation to October's Forecast £0.000m	

Legal & Democratic	Law and Governance are forecasting an overspend of £0.110m. The costs within District Elections are £0.018m over budget and the remaining £0.040m is primarily as a result of staff costs within Democratic Process because extra resources are now required.
Variation £0.110m overspend	
Variation to October's Forecast £0.000m	The remaining additional costs have been through the creation of a new Information Governance position which has enabled the organisation to be proactive in how it deals with information requests, meets legislation and reduces the admin burden across the Council.

ICT	£0.214m overspend. The projected overspend within IT is made up of £0.153m consisting of £0.048m under recovery of income attributable to the decoupling of the IT service and establishing a stand-alone IT service and a new Digital Strategy for Cherwell, £0.047m attributable to increased supplier costs and £0.014m minor overspends.
Variation £0.214m overspend	
Variation to October's forecast £0.000m	

Property	The (£0.159m) underspend is a result of (£0.193m) of additional rent which is predicted as being achieved ahead of forecast, despite tricky economic conditions, and we are predicting spending (£0.173m) less on external professional services than anticipated during the year. However, this is offset by an overspend of £0.021m on utilities due to rising energy prices, £0.118m on staff costs (partly as a result of interim staff being required due to decoupling) and £0.068m increased costs which are largely operational (repairs, maintenance, security and rates).
Variation (£0.159m) underspend	
Variation to October's forecast £0.000m	

Communities

Communities are forecasting an overspend of £0.397m against a budget of £9.250m, (4.3%).

Planning & Development	& Planning & Development are presently forecasting a (£0.345m) underspend. This is mainly due to expectations of higher income in Development Management than budgeted which reflects the level of business being dealt with by the department. Income may yet fall again but a positive out-turn at year end is anticipated.
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Variation (£0.345m) underspend

Variance to October's forecast (£0.511m)

Growth & Economy	The Growth and Economy department is forecasting, for November 2022, an overall underspend of (£0.010m) for the year - which is the same as was forecast last month.
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Variation (£0.010) underspend

Variance to October's forecast (£0.000m)

Environmental	The forecast variance for Environmental Services for November is £0.732m.
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Variation £0.732m Overspend

Variance to October's forecast £0.080m

This is largely due to the continued pressure within Car Parks of £0.339m. There is a £0.280m reduction anticipated in car park income largely due to reduced demand. Other variances across the service totalling £0.059m are due to an increase in premises and contractor costs.

The forecasted pressure of £0.284m within Waste and Recycling is as a result of multiple factors, but predominantly due to a pressure of £0.232m in employee costs due to increased use of agency staff for backfilling vacant posts and several long-term sick, we are working closely with HR to mitigate.

In addition, an increase of £0.071m in fuel costs is partly offset by a reduced spend on vehicle maintenance and mileage, and an increase of £0.126m on gate fees for glass recycling & food waste due to a higher rate per tonne than budgeted and previously forecasted.

However additional income of (£0.322m) due to the higher than anticipated take up of garden waste subscriptions offsets under recovery on credits, sale of materials, bulky waste collections and sale of trade sacks resulting in a net (£0.203m).

This forecast is all made up of other minor variances across Waste and Recycling totalling £0.058m.

Additional income of (£0.045m), reduction in contractual overtime and non-recruitment to vacant posts off (£0.028m) within Street Cleansing (including Public Conveniences and Environmental Strategies) have resulted in a net saving of (£0.073m)

This forecast is all made up of other minor variances across Landscaping and Vehicle Maintenance totalling (£0.005m).

Increased employee costs across Environmental Services have resulted in a net movement of £0.080m from October's reporting.

Regulatory	Regulatory Services and Community Safety is reporting a £0.020m overspend due to an under-recovery of licensing income partially offset by vacant posts and the receipt of a grant for community safety.
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Variation
£0.020m

Variance to October's
forecast
£0.000m

Executive Matters

Executive Matters is forecasting an underspend of (£0.339m) against the budget of £0.034m, (-997.1%).

Interest	Wholly owned companies have confirmed they will be utilising £6m of their available credit facility which has resulted in £0.214m more interest income than previously forecast. Bank Of England Base interest rate is now 3% which has increased the Treasury income forecast for the 4th Quarter further.
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Variation
(£0.339m) underspend

Variance to October's
forecast
(£0.346m)

Policy Contingency

Policy Contingency is forecasting an underspend of (£0.332m) against a budget of £2.058m, (-16.1%).

Policy Contingency	There is a currently projected release of (£0.332m) for inflation to partially mitigate some of the inflationary costs that the Council is experiencing
Variation (£0.332m) underspend	
Variance to October's forecast £0.000m	
