

Appendix 2 - Report Details – Additional Revenue narrative

Chief Executive

Chief Executives are forecasting an overspend of £0.355m against a budget of £6.994m (5.1%).

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

Variance to
December's forecast
£0.000m

Wellbeing Community	& The overspend, due to global price rises in utility costs and maintenance costs, has been contained by reducing expenditure wherever possible.
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Variation
£0.170m
Overspend

Variation to
December's Forecast
£0.010m

Customer Focus	Decoupling costs and an ambitious income target for land charges continue to be the cause of Customer Focus's predicted out turn position of £0.185m overspend. This is a £0.025m rise on last month's position due to a further reduction in land charges income.
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Variation
£0.185m overspend

Variation to
December's Forecast
£0.025m

Resources

Resources are reporting an overspend of £0.223m against a budget of £5.234m (4.3%).

<p>Finance</p> <p>Variation (£0.024m) Underspend</p> <p>Variation to December's Forecast (£0.110m)</p>	<p>Bank charges have increased for the Council due to increasing numbers of card payments being taken by the Council as well as bank transfer payments being made by the Council £0.068m.</p> <p>Decoupling costs for senior posts and Advertising totalling £0.113m have been incurred in excess of the budget available.</p> <p>Revenues and Benefits have overspent on year end Printing, offset by underspends anticipated in Benefits. There are minor underspend variations over the rest of the service as a whole (£0.205m).</p>
<p>Legal & Democratic</p> <p>Variation £0.169m overspend</p> <p>Variation to December's Forecast £0.045m</p>	<p>Law and Governance are forecasting an overspend of £0.169m. There are small variances within Elections totalling £0.016m over budget and a further £0.022m has been incurred as a result of staff costs within Democratic Process because extra resources are now required.</p> <p>The remaining additional costs are due to: -</p> <p>1) 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 and</p> <p>2) an overspend within Procurement which is forecasted to be incurred due to current consultant and will be addressed by establishing a stand-alone service for Cherwell. The procurement manager post is currently out to advert.</p>
<p>ICT</p> <p>Variation £0.175m overspend</p> <p>Variation to December's forecast £0.011m</p>	<p>ICT are forecasting an overspend of £0.175m. The projected overspend is made up of £0.048m under recovery of income attributable to the decoupling of the IT service and £0.066m costs incurred due to establishing a stand-alone IT service and a new Digital Strategy for Cherwell. A further £0.047m attributable to increased supplier costs and £0.014m minor overspends.</p>
<p>Property</p> <p>Variation (£0.097m) underspend</p> <p>Variation to December's forecast (£0.004m)</p>	<p>Property are forecasting an underspend of a result of (£0.097m) made up of (£0.247m) additional rent which is predicted as being achieved ahead of forecast, despite tricky economic conditions, and we are predicting spending (£0.167m) less on external professional services than anticipated during the year. However, this is offset by an overspend of £0.099m on utilities due to rising energy prices, £0.111m on staff costs (partly as a result of interim staff being required due to decoupling)</p>

and £0.107m increased costs which are largely operational (repairs, maintenance, security and rates).

Communities

Communities are forecasting an overspend of £0.230m against a budget of £9.176m, (2.5%).

Planning & Development	&	Planning & Development is presently forecasting a (£0.663m) underspend largely arising from additional income in Development Management which is reflective of the level of business dealt with by the department. Since last month there has also been a significant reduction in the level of consultancy costs expected in the current financial year.
Variation (£0.663m) underspend		
Variance to December's forecast (£0.178m)	to	

Growth & Economy		The Growth and Economy department is forecasting, for January 2023, an overall underspend of (£0.040m) for the year - which is £0.030m more than forecast last month. This relates to savings in salaries due to staff secondment duties. The Bicester Garden Town Programme continues to progress with capacity funding being utilised to initiate and develop key projects such as the Market Square regeneration and the Reimagining Bicester town centre workstreams. The Banbury Vision 2050 programme is also soon to be swinging into action and a major consultation and engagement exercise being undertaken before the end of this financial year; this expenditure is already budgeted for within existing budgets.
Variation (£0.040) underspend		
Variance to December's forecast (£0.030m)	to	

Environmental		The forecast variance for Environmental Services for January is £0.933m – which is £0.173m more than forecast last month. There is still the continued pressure within Car Parks of £0.331m which has been previously reported.
Variation £0.933m Overspend		
Variance to December's forecast £0.173m	to	The pressure on Waste & Recycling is as a result of multiple factors, but predominantly due to a pressure of £0.459m 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 £0.112m in fuel costs and £0.237m on gate fees for glass recycling & food waste due to a higher rate per tonne. The major change this month is an increase of £0.111m in recycling gate fees is as a result of the collapse in mixed paper prices

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 (£0.202m).

This forecast is made up of other minor variances across Environmental Services totalling (£0.023m).

Regulatory

Variation
£0.000m

Regulatory Services and Community Safety are forecasting a balanced outturn. Forecast receipts from premises licence applications remain lower than budgeted amounts by £0.034m but is being offset by underspends resulting from vacant posts that arose during the year.

Variance to
December's forecast
(£0.000m)

Executive Matters

Executive Matters is forecasting an underspend of (£0.515m) against the budget of £0.047m, (-1095.7%).

Interest

Variation
(£0.515m) underspend

Due to increased interest rates the council is anticipating higher than expected income of (£0.515m).

Variance to
December's forecast
(£0.122m)

Policy Contingency

Policy Contingency is forecasting an underspend of (£0.332m) against a budget of £2.041m, (-16.3%).

Policy Contingency

Variation
(£0.332m) underspend

There is a currently projected release of (£0.332m) for inflation to partially mitigate some of the inflationary costs that the Council is experiencing.

Variance to
December's forecast

£0.000m
