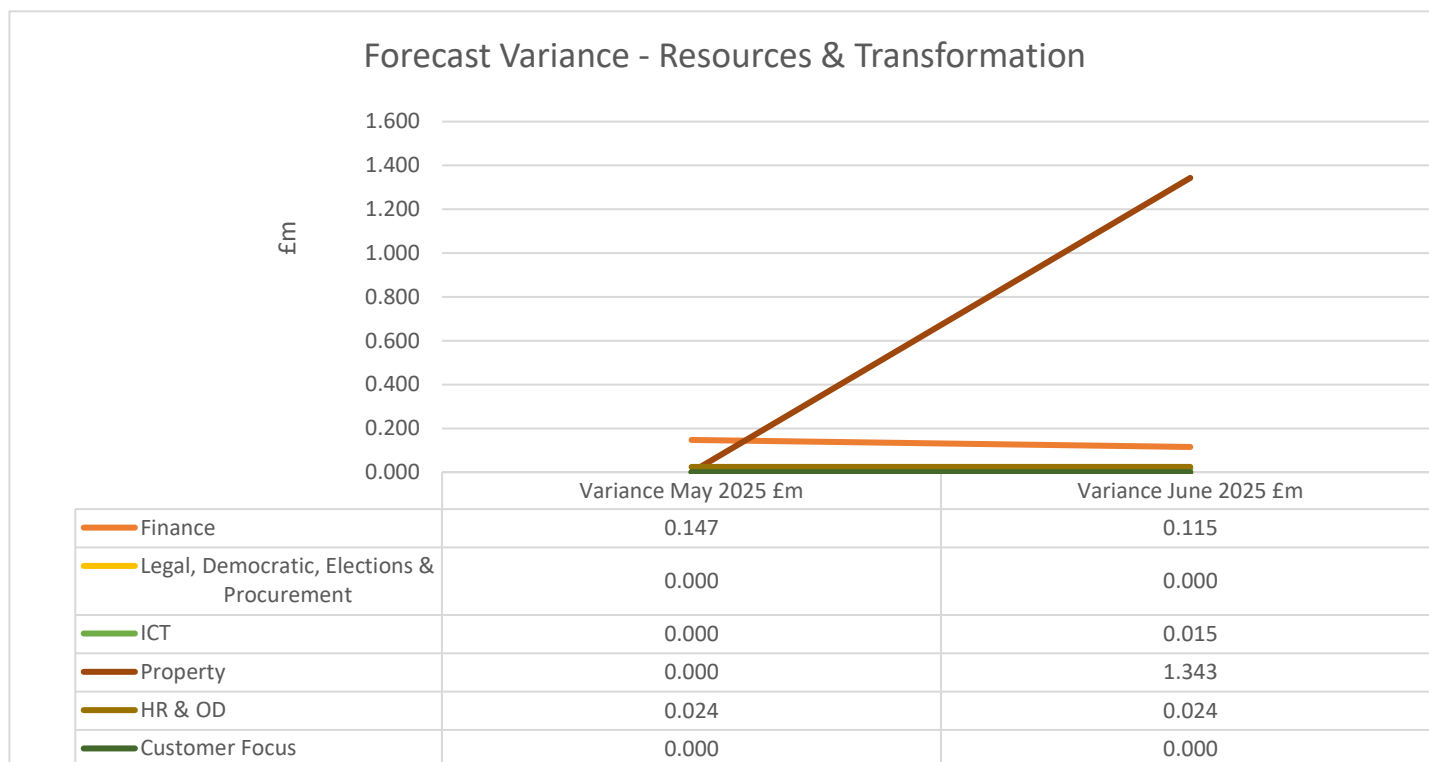


Appendix 2 - Report Details – Additional Revenue narrative

Resources & Transformation

Revenue:

Resources & Transformation are forecasting £1.497m overspend against a budget of £6.891m (21.7%).



Finance

Variation
£0.115m Overspend

Overview of Forecast:

The Forecast overspend is primarily due to a forecast overspend in corporate costs relating to bank charges for processing payments electronically. As the council makes more payments electronically these costs increase. The forecast overspend is £0.085m.

The remaining overspend is a net £0.030m made up of lower than budgeted forecast income from Court Costs and Housing Benefit Overpayments, mostly offset by over recovery of grant income.

Variation to May's
Forecast
(£0.032m)

Changes since last month:

Additional recovery of grant income has been achieved to broadly offset the forecast reductions in income in Housing

	Benefit Over Payments and Court Costs. This results in a net overspend of £0.030m across the majority of Finance. However, forecast bank charges have increased to an overspend of £0.085m. This is the costs of the whole council doing financial transactions electronically – so as more payments are made by bank transfer and/or card payment, the council incurs additional costs within the Finance budget.
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Legal, Democratic, Elections & Procurement

Variation
£0.000m Overspend

Legal, Democratic, Elections & Procurement are currently reporting on target.

Variation to May's
Forecast
£0.000m

ICT

Variation
£0.015m Overspend
Variation to May's
Forecast
£0.015m

ICT are currently forecasting minor variations across the service.
Mitigations for the overspend through vacancies within the service.

Property

Variation
£1.343m

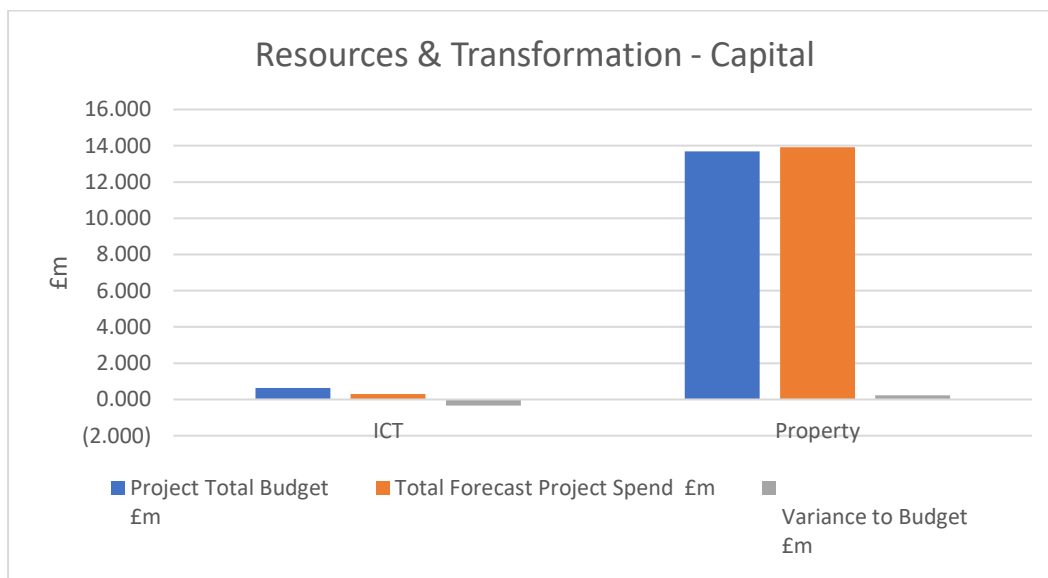
Variation to May's
Forecast
£1.343m

Property are forecast an overspend of £1.343m the main reason for this forecast is :
Property has experienced a shortfall in projected income and higher-than-anticipated costs associated with managing its properties during the current financial period. Income under-recovery is primarily due to slower-than-expected tenant uptake, compounded by broader economic challenges impacting the market and the need to agree competitive lease terms to attract tenants.
Void property costs exceeded budget due to extended vacancy periods and increased operational costs required

	to maintain the properties in a safe and marketable condition. We are intensifying marketing efforts to secure new tenants, reviewing cost controls on properties, and updating our financial forecasts regularly to ensure they reflect the most up to date tenancy and property information. These variances are being actively managed and monitored.
Variation to May's Forecast £1.343m	Under-Recovery of Income: • Slower-than-expected tenant uptake. • Market challenges affecting the property sector. Mitigations: • Intensified marketing to attract occupiers • Cost control measures across the service. • Regular review of financial forecasts to reflect current position. • Ongoing review of procurement and oversight processes.
Customer Focus	
Variation 0.000m	Customer Focus are forecasting on track.
Variation to May's Forecast £0.000m	
HR & OD	
Variations £0.024m Overspend	The forecast for June is an overspend of £0.024m by year-end. The overspend assumes that changes to the current overtime policy will be delayed due to ongoing consultation. Other overspends relate to the need to retain resources in the HR team to carry out HR functions.
Variation to May's Forecast £0.000m	

Capital

Service	Project Total Budget £m	Total Forecast Project Spend £m	Variance to Budget £m	
ICT	0.630	0.291	(0.339)	
Property	13.686	13.917	0.231	
Total	14.316	14.208	(0.108)	



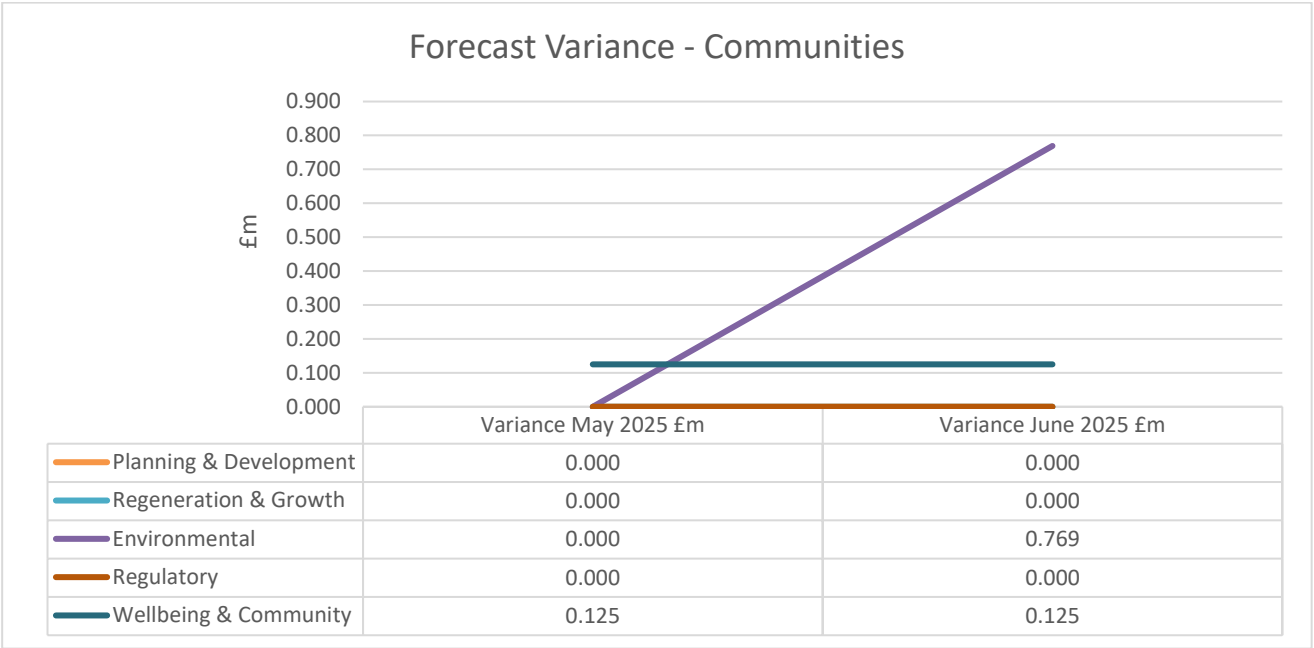
For further information on capital see Appendix 1.

Communities

Revenue:

Communities are forecasting a £0.894m overspend against a budget of £12.570m, (7.1%).

The directorate recognises the overspend, in particular the pressure around staff sickness and the potential operational impact to waste collections. The team are working hard over the summer period to identify in year mitigations.



Planning & Development

Variation
£0.000m

Forecast to be on budget at the present time.

Variation to May's
Forecast
£0.000m

There are no changes to the current forecast for the end of year. No over or under spend is currently expected.

Regeneration & Growth

Variation £0.000m	Regeneration & Growth are reporting on budget for June.
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Variation to May's Forecast £0.000m

Environmental

Variation £0.769m	The forecasted pressure of £0.769m within Environmental Services is primarily due to staffing pressures and agency costs of £0.424m within Waste and Recycling, this continues to be closely monitored and managed alongside HR. Higher than anticipated residual waste tonnage being direct delivered to Transfer station has resulted in an overspend of £0.094m of which £0.038m relates to 2024/25. Delays to contract start date for new dry recycling processor have increased costs by £0.078m, this is also a result of a fall in commodity prices worldwide resulting in 67% increase in gate fee. A reduction in garden waste subscriptions due to a predicted 1,400 less uptake compared to 2024/25 resulting in an under recovery of income of £0.076m. The income received from sale of glass collected is currently reporting a £0.139m overspend compared to budget this is due to a 40% reduction in glass rebates received from the processor, due to a reduction in glass income and PRN's (packaging recovery notes) on the international market. This is partly offset by non-recruitment to vacant posts of (£0.021m) within Environmental Services Admin, Street Scene and Street Cleansing.
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Variation to May's Forecast £0.769m	The Waste and Recycling service are looking at ways to mitigate this overspend, one being a reduction in food waste vehicles to reduce vehicle and fuel costs. An increase in advertising for Garden Waste through social media and collection crews stickering and leaving bins without a current subscription.
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This will be continued to be monitored and mitigations identified throughout the year including non-recruitment to vacant posts and stopping any noncritical services to offset this overspend.

Regulatory

Variation
£0.000m

Regulatory Services and Community Safety are forecasting a balanced outturn.

Variation to May's
Forecast
£0.000m

Wellbeing & Housing

Variation
£0.125m overspend

The forecast is based on whole year expenses being needed as budgeted and accounts for increased IT license costs and the corporate top slice of grants to support corporate costs.

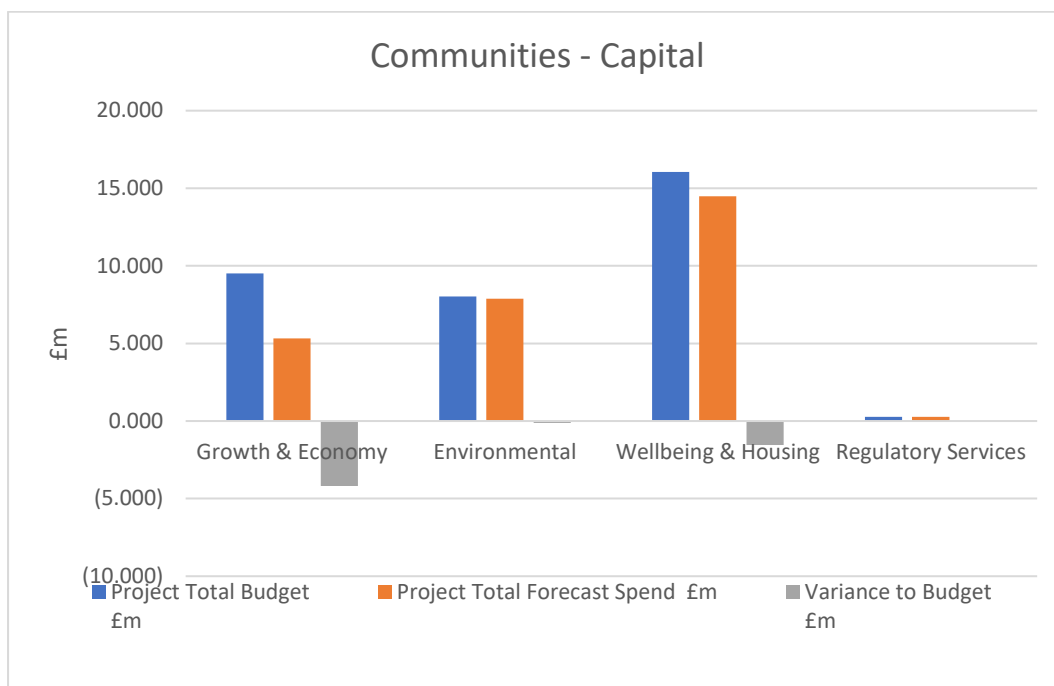
Variation to May's
Forecast
£0.000m

Engagement of external expert legal support to ensure compliance through changes to contract terms.
Over the course of the year, it may be possible to underspend on some provisions within the budget and reduce the forecasted overspend. Much will depend on the demand for temporary accommodation

Capital

Service	Project Total Budget £m	Project Total Forecast Spend £m	Variance to Budget £m	
Growth & Economy	9.513	5.320	(4.193)	
Environmental	8.020	7.888	(0.132)	
Wellbeing & Housing	16.042	14.487	(1.555)	

Regulatory Services	0.265	0.265	0.000	
Total	33.840	27.959	(5.881)	

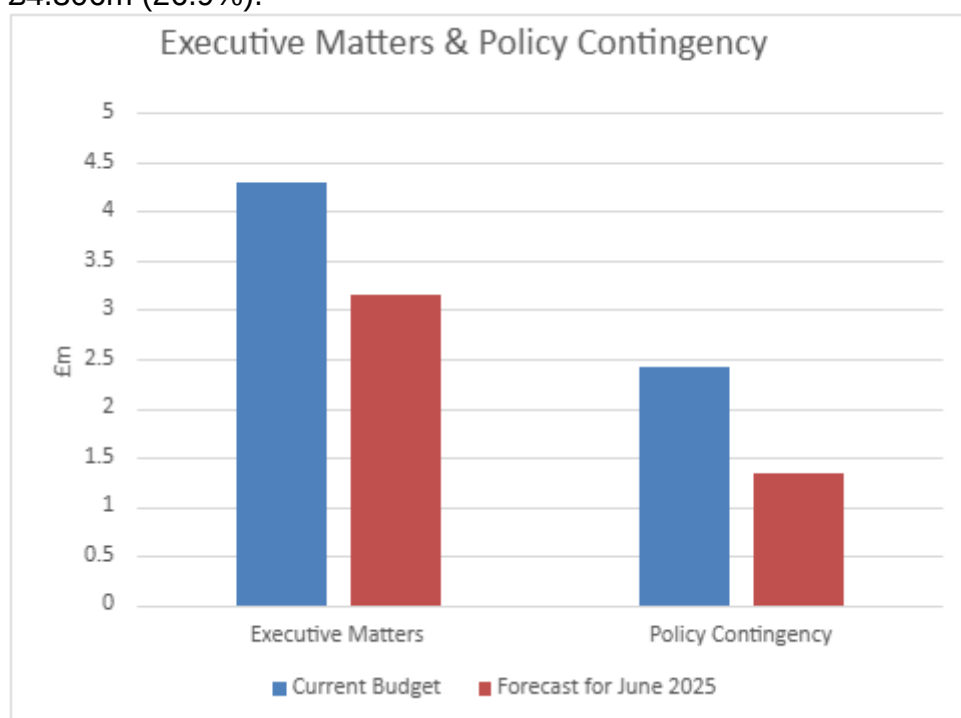


For further information on capital see Appendix 1.

Executive Matters

Revenue:

Executive Matters is reporting an underspend of (£1.159m) against a budget of £4.306m (26.9%).



Executive Matters

Variation (£1.159m) Underspend	Executive Matters are forecasting an underspend of (£1.159m) made up of (£0.309m) additional Extended Producer Responsibility funding that is due to be received in July, (£0.500m) dividend expected from Graven Hill and an over recovery of net interest of (£0.350m).
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Variation to May's Forecast (£1.159m)

Policy Contingency

Policy Contingency is forecasting an underspend of (£1.1m) against a budget of £2.428m, (45.0%)

Policy Contingency

Variation (£1.100m)	Policy Contingency includes £1.100m for Market Risk. This has been released (and shown as an underspend) in order to offset overspends in the directorates.
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Variation to May's Forecast (£1.100m)
