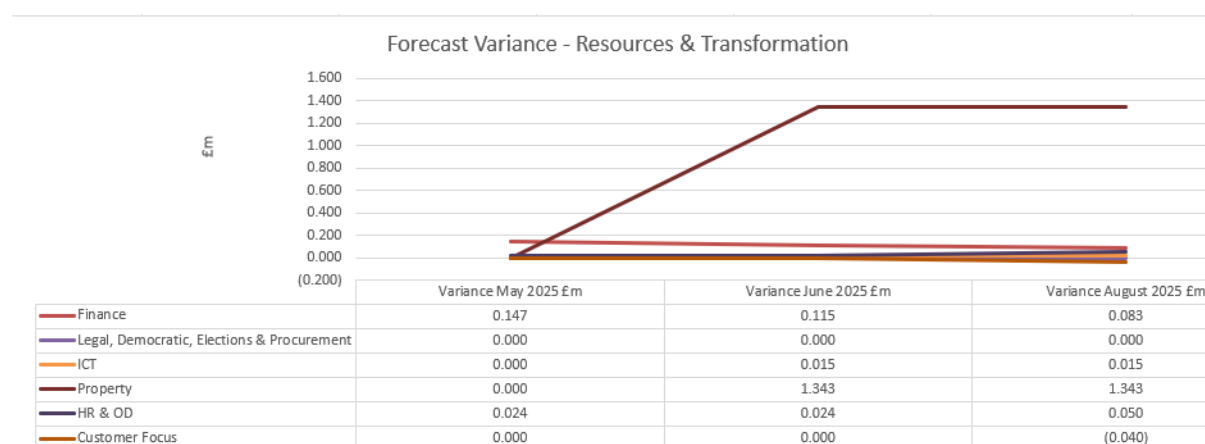


Appendix 1 - Report Details – Additional Revenue narrative

Resources & Transformation

Revenue:

Resources & Transformation are forecasting £1.451m overspend against a budget of £6.891m (21.1%).



Finance

Variation

£0.083m 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 £0.083m.

The remaining variances net each other off with lower than budgeted forecast income from Court Costs and Housing Benefit Overpayments offset by over recovery of grant income

Variation to June's

Forecast

(£0.032m)

Changes since last month:

Minor variations across the service.

Mitigations will have to be considered as this overspend is as a result of corporate costs.

Legal, Democratic, Elections & Procurement

Variation

£0.000m Overspend

Legal, Democratic, Elections & Procurement are currently showing no overspend however there is a real risk that overspend occurs. We have increased the income

Variation to June's Forecast £0.000m	forecast, based on current projection, but this is very much dependent on developers/ planners agreeing s106 agreements. Continued recruitment issues also mean that we continue use locum staff in high risk areas such planning and litigation.
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ICT

Variation £0.015m Overspend	ICT are currently forecasting minor variations across the service.
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Variation to June's Forecast
£0.015m

Property

Variation £1.343m Overspend	<p>Property are forecast an overspend of £1.343m the main reason for this forecast is :</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>These variances are being actively managed and monitored.</p>
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Variation to June'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
(0.040m) underspend

Customer Focus are forecasting an underspend of (£0.040m) primarily down to holding onto a vacancy which will be filled in Q3.

Variation to June's
Forecast
(£0.040m)

HR & OD

Variations £0.050m
Overspend

The forecast for August is an overspend of £0.050m by year-end. The overspend assumes that changes to the current overtime rates and policy will not proceed following consultation. Other overspends relate to the need to retain resources in the HR team to carry out HR functions.

Variation to June's
Forecast
£0.026m

Previously, the forecast assumed some savings achieved when the change to the overtime policy was implemented. The latest forecast reflects the decision to not proceed with the changes.

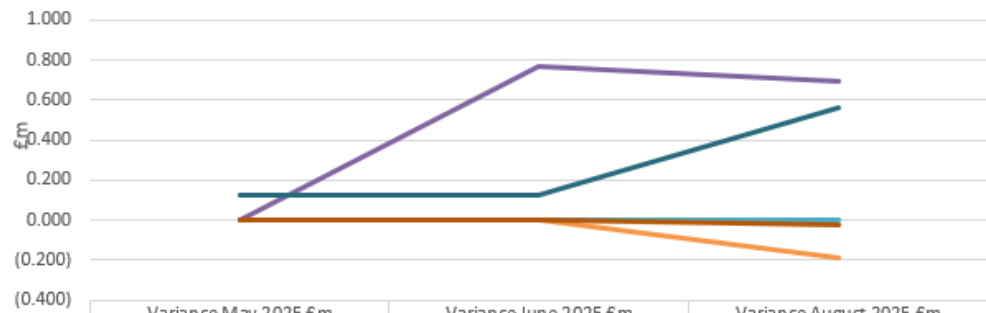
Communities

Revenue:

Communities are forecasting a £1.044m overspend against a budget of £12.573m, (8.3%).

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.

Forecast Variance - Communities



	Variance May 2025 £m	Variance June 2025 £m	Variance August 2025 £m
Planning & Development	0.000	0.000	(0.189)
Regeneration & Growth	0.000	0.000	0.000
Environmental	0.000	0.769	0.694
Regulatory	0.000	0.000	(0.022)
Wellbeing & Housing	0.125	0.125	0.561

Planning & Development

Variation
(£0.189m)
underspend

Planning & Development is presently forecasting to be within budget by the end of the year. This is mainly due to Development Management fee income being bolstered by the receipts from strategic planning applications.

Variation to June's
Forecast
(£0.189m)

Additional income from strategic planning applications.

Regeneration & Growth

Variation
£0.000m

Regeneration & Growth are reporting on budget for August.

Variation to June's
Forecast
£0.000m

Environmental

Variation
£0.694m Overspend

The forecasted pressure of £0.694m within Environmental Services is largely due to staffing pressures £0.523m within Waste and Recycling primarily as a result of agency staff usage, 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 £0.089m, 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 £0.073m.

The income received from sale of glass collected is currently reporting a £0.122m 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 (£0.152m) within Environmental Services Admin, Landscaping Street Scene and Street Cleansing. A reduction in the amount of fuel required through usage and price (£0.082m) carrying out additional work on behalf of local partners (£0.017m)

As part of the 2025/26 budget setting process HR proposed a cross-cutting saving reducing the overtime rate from time and a half to plain time during the working week. The policy change is not set to take place in 2025/26, so this has now been identified as a pressure of £0.040m.

Variation to June's
Forecast
(£0.075m)

As part of the 2025/26 budget setting process HR proposed a cross-cutting saving reducing the overtime rate from time and a half to plain time during the working week. The policy change is not set to take place in 2025/26, so this has now been identified as a pressure.

A further reduction in recruitment to vacant posts within Admin, Landscaping Street Scene and Street Cleansing.

A reduction in the amount of fuel required through usage and price carrying out additional work on behalf of local partners. A reduction in the amount of training days required for the waste operative from two days down to one.

The price per tonne for the sale of glass has increased seeing additional income compared to the anticipated amount in June 2025.

Environmental services are continuing to investigate ways to mitigate this overspend, to date they include non-recruitment to several vacant posts across the service, a reduction in Arboricultural works carried out at sites, additional work on behalf of local partners, a reduction in training carried out.

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.

Continuing to promote the garden waste subscription service through social media and reminding residents to subscribe where bins are presented and not collected due to lack of subscription evidence. This will be continued to be monitored and mitigations identified throughout the year including any noncritical services to offset this overspend.

Regulatory

Variation
(£0.022m) Underspend

Regulatory Services and Community Safety are forecasting a small underspend of (£0.022m).

Variation to June's
Forecast
(£0.022m)

The variation from previous month is due to small savings due to staff changes.

Wellbeing & Housing

Variation
£0.561m overspend

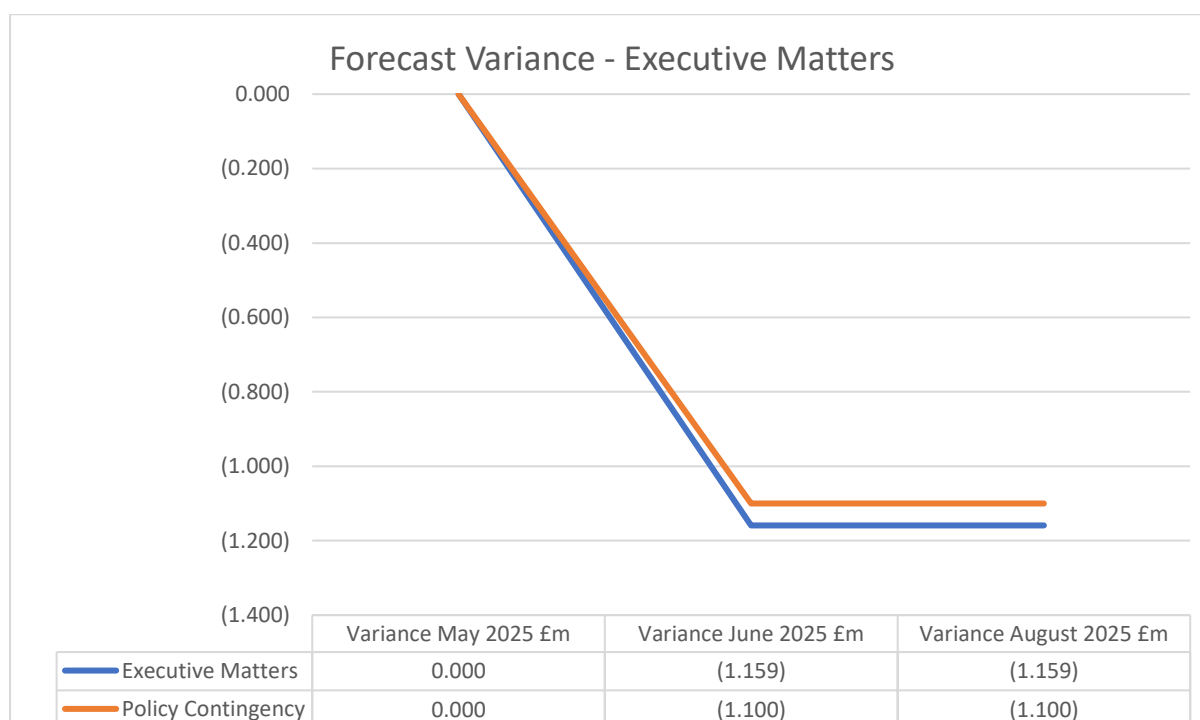
The forecast is based on whole year expenses being needed as budgeted and accounts for increased IT license costs, legal fees and the increase in temporary accommodation demand due to rising homelessness.

Variation to June's Forecast £0.436m	<p>Changes in temporary accommodation provision is likely to increase forecasted costs in the short term, separate from demand pressures, and this is reflected through the new forecast. Potential efficiencies from changes in contractual arrangements within the service are yet to be realised, but are being accelerated, but are not yet forecastable.</p> <p>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.</p>
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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
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Variation to June's Forecast (£0.000m)	in July, (£0.500m) dividend expected from Graven Hill and an over recovery of net interest of (£0.350m).
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Policy Contingency

Policy Contingency is forecasting an underspend of (£1.100m) against a budget of £2.425m, (45.3%)

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.
Variation to June's Forecast (£0.000m)	
