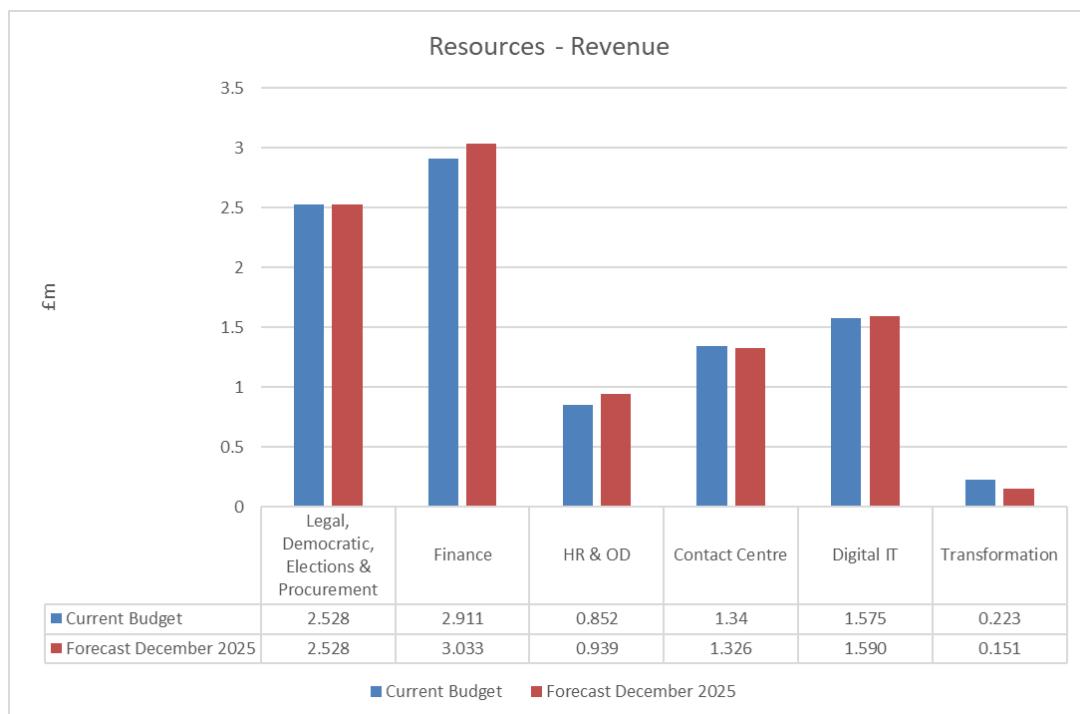


## Appendix 2 – Detailed Narrative on Forecast December 2025

### Resources

#### Revenue:

Resources are forecasting £0.138m overspend against a budget of £9.429m (1.46%). The majority of the directorate's overspend relates to a share of the overtime policy implications, whilst being offset by other minor underspends. Whilst there is limited ability to reduce the actual overspend due to the reason for it occurring, the directorate monitors all spend to minimise any unnecessary costs and spend and embodies the councils aim for striving to excellence in financial management.



Legal, Democratic, Elections & Procurement	
Variation £0.000m	Overview of Forecast: We are currently showing no overspend however there is a real risk that overspend occurs. We have increased the income 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. Recruitment still an issue across law and governance and we are looking at readvertisements.
Variations To November's Forecast £0.000m	
Finance	

Variation £0.122m Overspend	The forecast year end position is an overspend of £0.122m. Following the submission of the Mid-year estimate for Housing Benefit Grant to the DWP and including a review of the caseload, despite a reduction in the overall grant payments to be made, we are forecasting a overspend due to increased expenditure on Temporary accommodation and Supported accommodation claims which are not fully grant funded by the Government, but the council has an obligation to pay. Additional New Burdens grant funding has also been received of (£0.069m).
Variation to November's Forecast (£0.006m)	Minor changes across budget areas this month.
HR & OD  Variation £0.087m Overspend	The main cause of the forecasted overspend is the corporate decision not to proceed with changes to the current overtime policy, resulting in the non-delivery of £41k savings. Other overspends have emerged during the year, that were not anticipated at the time of budget setting for 2025/26. These overspends include legal costs for employment advice, graduate recruitment costs, training software licence costs and consultants fees relating to the structure project.
Variation to November's Forecast £0.003m	
Contact Centre  Variation (£0.014m) Underspend	Customer Services is showing an underspend due to vacant hours on the establishment. Land Charges is showing a small underspend due to additional income. However, will need to monitor closely as there is a risk that post budget impact on the housing market could reduce income during remainder of financial year
Variation to November's Forecast (£0.006m)	Final approval and implementation of flexible working request to reduce hours, these hours are currently vacant and therefore are resulting in an in-year saving.
Digital IT  Variation £0.015m Overspend	Minor overspends across the service.

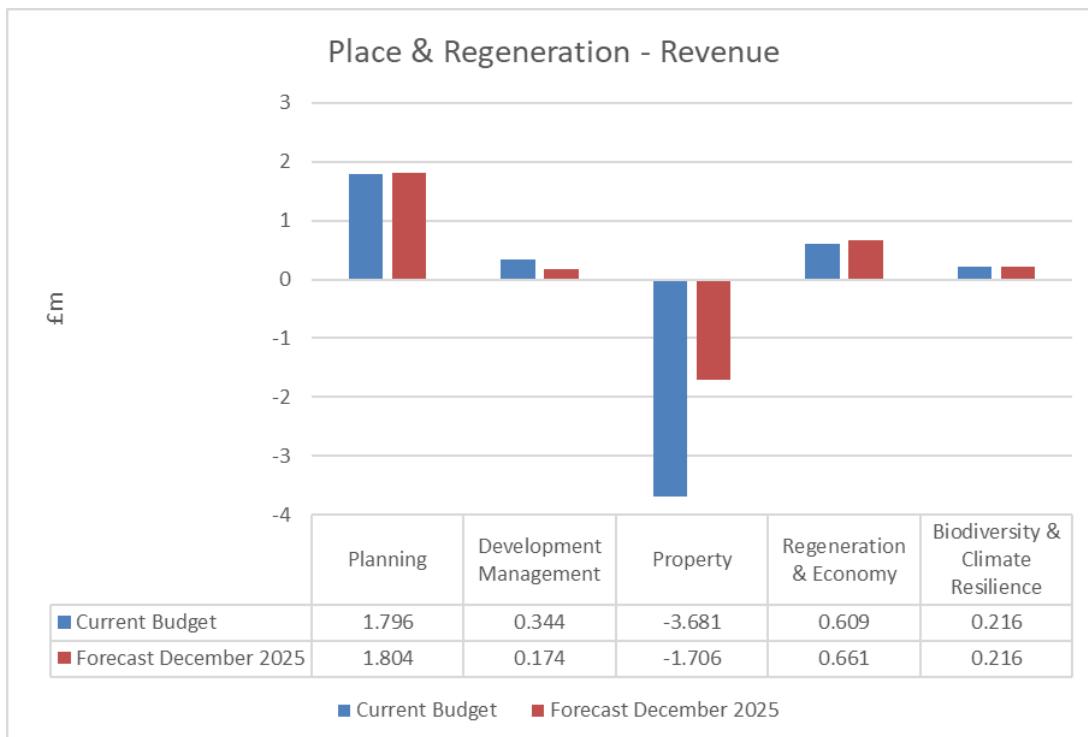
Variation to November's Forecast £0.000m	Vacant post not filled until part way through the year.
Transformation Variation (£0.072m) Underspend	Underspend is due to current Business Process Analyst Vacancy. Planning to recruit for this in Q4 of 2025/26, assuming greater clarity and stability of pipeline of work for the Transformation PMO.
Variation to November's Forecast (£0.006m)	Business Process Analyst Vacancy remains vacant.

## Place & Regeneration

### Revenue:

Place & Regeneration are forecasting £1.865m overspend against a budget of (0.716m) (-260.5%).

The overspend position is driven by external market forces which the services are working collectively to mitigate the impact of and improve long term forecasting. Planning and Development Management services are experiencing high workload pressures to accelerate stalled development and strategic planning support which they are seeking external funding support for.



Planning & Development Management	
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Planning Variation £0.008m Overspend  Development Management Variation Underspend (£0.170m)	<p>Building Control is presently forecast to be within budget (£0.034m) assisted by additional income receipts. Planning Policy, Conservation &amp; Design is presently forecast to be overbudget by some £0.038m due to staff resource costs associated with the submission of the Local Plan and its Examination. A reserve is available for the Local Plan Examination that can be called upon if required in due course.</p> <p>Development Management is presently forecasting an underspend of (£0.170m). Income is expected to exceed budget by the end of the year. In addition to national fee increases at the start of the financial year, a number of strategic applications have been received with higher fees. Resource needs to meet additional demands are being kept under review.</p>
Variation to November's Forecast  Planning (£0.013m)	<p>The main changes since last month comprise some additional Development Management costs associated with planning appeals and legal advice and some reduction in forecasted Planning Policy staffing costs.</p> <p>Continued close monitoring of Development Management income and agency costs.</p>
Development Management £0.028m  Property  Variation £1.975m Overspend	<p>A detailed review of the in year position, including a number of rent reviews has identified a reduction in the 25/26 forecast, primarily due to lower than expected rental income from delayed lettings, reduced renewal rates and tenant failures. Offsetting this, we anticipate higher turnover rents, improved insurance recovery, and increased income from car parking and Lock29.</p> <p>Variation to November's Forecast £0.132m</p> <p>An additional Potential pressure of £132k is expected in Parking Services and is largely because of an expenditure rather than an income pressure. Car park management costs were lower last year as the car parks were not managed externally for the full year. A review/check is underway so that the detail can be confirmed in P10 reporting.</p>
Regeneration & Economy  Variation £0.052m Overspend	<p>Regeneration &amp; Growth is currently reporting an overspend of £0.052m, primarily due to staffing costs where a full-time post is only partially funded (50%) through the service budget. A review of the team's structure and budget allocation is underway, following approval of the new structure in November, which will mitigate the overspend.</p>

Variation to November's Forecast £0.000m	
Biodiversity & Climate Resilience  Variation £0.000m Overspend	Biodiversity & Climate Resilience is reporting on budget for 2025/26.
Variation to November's Forecast (£0.010m)	The movement of (£0.010m) since November's reporting is a result of using the underspend from vacant posts to offset various additional consultancy costs.

## Neighbourhood Services

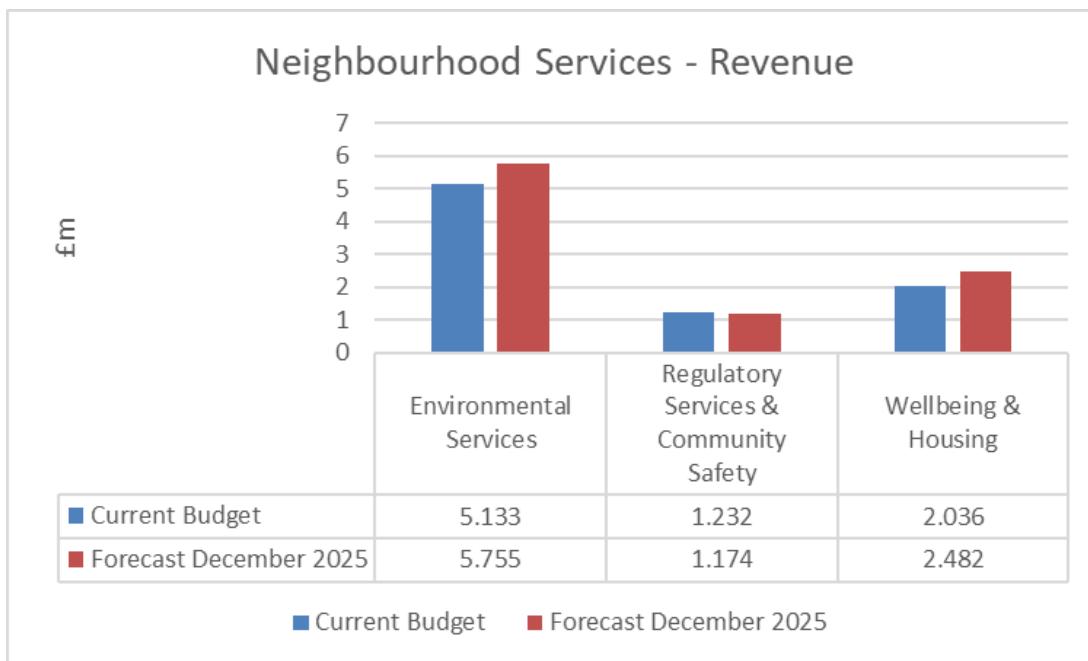
### Revenue:

Neighbourhood Services are forecasting £1.010m overspend against a budget of £8.401m (12.0%).

The forecast overspend should remain stable as whole year costs have been reflected.

The drivers for the overspend are long term sickness in our waste crew, additional temporary accommodation costs, and the delayed delivery of implementing an Agency arrangement in our Leisure Centres.

Mitigations are being sought where possible and close working across the services to identify programmes that can be slowed or delayed to ease the budget pressures are being sought. Unexpected grant income in Housing and flexing of provision in Wellbeing has resulted in the improved forecast for year end.



Environmental Services	
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Variation £0.622m Overspend	The forecasted pressure of £0.622m within Environmental Services is largely due to staffing pressures £0.604m within Waste and Recycling primarily because of the need for agency staff usage. An under recovery of anticipated income for vehicle repairs of £0.118m. A reduction of £0.018m in anticipated income for street markets and annual fairs. The rise in gate fees has also impacted the service.
Variation to November's Forecast £0.005m	There have been small movements across many services in the last month resulting in a slightly increased overspend. Mitigations are being actively sought. Mitigations to date include non-recruitment to vacant posts across the service, a reduction in Arboricultural works carried out, additional work carried out on behalf of local partners and a reduction in training carried out. Mitigations will continue to be identified throughout the year.
Regulatory Services & Community Safety	
Variation (£0.058m) Underspend	Regulatory Services and Community Safety are forecasting an underspend of £0.058m.
Variation to November's Forecast £0.000m	We have additional savings from staffing costs due to maternity leave.
Wellbeing & Housing	
Variation £0.446m 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 November's Forecast (£0.129m)	An increase in Homelessness Prevention Grant has contributed to a reduced forecast overspend and some mitigations to offset operational demands have been successful. Over the course of the year, it may be possible to underspend on some provisions within the budget and reduce the forecasted overspend. Allowing for the increased budget provision for

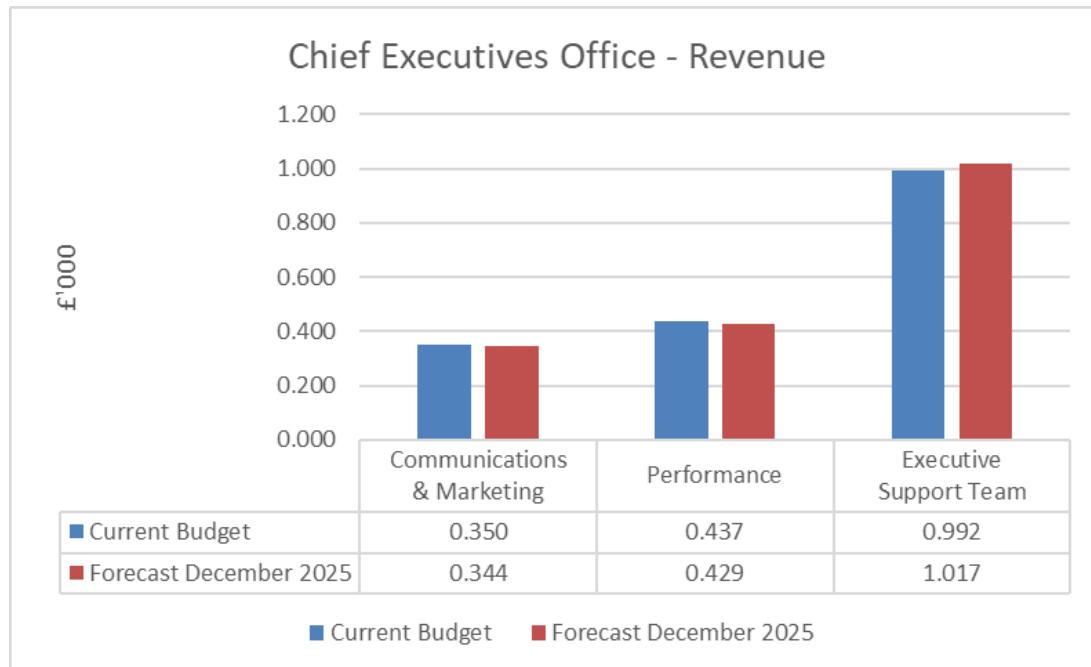
	temporary accommodation the scale of the eventual overspend will depend on the demand for temporary accommodation.
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## Chief Executives Office

### Revenue:

Chief Executives Office are forecasting £0.011m overspend against a budget of £1.779m (0.6%).

Overall, the Service is 0.6% over budget for the 25/26 financial year which is largely due to unplanned recruitment costs.



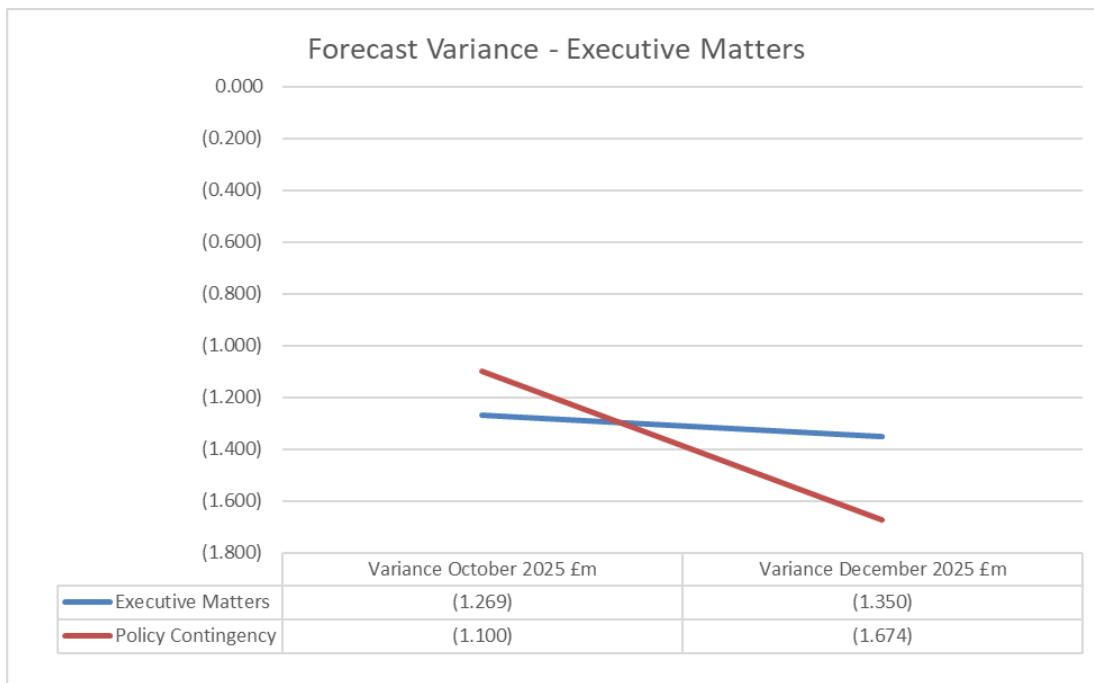
Communications & Marketing	
Variation (£0.006m) Underspend	The forecast is currently (£0.006m) behind budget mainly due to lower costs on external print and design that had been budgeted for at the start of the year.
Variation to November's Forecast (£0.002m)	
Performance	
Variation (£0.008m) Underspend	The forecast is currently that on an underspend of (£0.008m) which mitigates the forecasted overspend in other areas of the Service.
Variation to November's Forecast (£0.011m)	

Executive Support Team	
Variation £0.025m Overspend	Overall, the Service is 2.5% over budget for the 25/26 financial year which is largely due to some unplanned recruitment costs.
Variation to November's Forecast £0.019m	Every opportunity is being taken where possible to make savings that will mitigate the expected overspend.

## **Executive Matters**

### **Revenue:**

Executive Matters are forecasting a (£1.350m) underspend against a budget of £5.131m (-26.3%).



Executive Matters	
Variation (£1.350m) Underspend	Executive Matters are forecasting an underspend of (£1.350m) funding that is due to be received, (£0.500m) dividend expected from Graven Hill and an over recovery of net interest of (£0.850m).
Variation to November's Forecast (£0.039m)	

## **Policy Contingency**

## Revenue:

Policy Contingency are forecasting a (£1.674m) underspend against a budget of £2.171m (-77.1%).

Policy Contingency	
Variation (£1.674m) Underspend	The Policy Contingency forecast underspend has been released (and shown as an underspend) in order to offset overspends within the directorates.
Variation to November's Forecast (£0.574m)	