

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%).

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| HR & OD | HR are forecasting to remain in budget at present. |
| £0.000m Variance | |
| Variance to November's forecast £0.000m | |
| Wellbeing & Community | Higher costs for utilities and housing maintenance continue to put pressure on the service budgets but these overspends are at a stable level and not expected to increase significantly over the final quarter. |
| Variation £0.160m Overspend | |
| Variation to November's Forecast £0.000m | |
| Customer Focus | Customer Focus has maintained last month's year-end position, which is an overspend of £0.160m. The majority of this overspend is down to the costs of establishing the support structure needed to become a standalone authority. As reported previously a further contributing factor is a reduction of land charges income. |
| Variation £0.160m overspend | |
| Variation to November's Forecast £0.000m | |

Resources

Resources are reporting an overspend of £0.281m against a budget of £5.172m (5.4%).

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| Finance | £0.086m overspend: Bank Charges has 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 £0.068m. 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 as a whole (£0.020m). |
| Variation £0.086m Overspend | |
| Variation to November's Forecast £0.000m | |
| Legal & Democratic | Law and Governance are forecasting an overspend of £0.124m. There are small variances within Elections totalling £0.021m over budget and a further £0.037m has been incurred as a result of staff costs within Democratic Services because extra resources are now required. The remaining additional costs are due to 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. |
| Variation £0.124m overspend | |
| Variation to November's Forecast £0.014m | |
| ICT | IT are forecasting an overspend of £0.164m. The projected overspend within IT is made up of £0.048m under recovery of income attributable to the decoupling of the IT service and £0.055m costs incurred due to establishing a stand-alone IT service and a new Digital Strategy for Cherwell. A further £0.047m is attributable to increased supplier costs and £0.014m minor overspends. |
| Variation £0.164m overspend | |
| Variation to November's forecast (£0.050m) | |
| Property | Property are forecasting an underspend of (£0.093m). This is a result of (£0.213m) of additional rent which is predicted as being achieved ahead of forecast, despite tricky economic conditions, and we are predicting spending (£0.185m) less on external professional services than anticipated during the year. However, this is offset by an overspend of £0.089m on utilities due to rising energy prices, £0.143m on staff costs (partly as a result of interim staff being required due to decoupling) and £0.073m increased costs which are largely operational (repairs, maintenance, security and rates). |
| Variation (£0.093m) underspend | |
| Variation to November's forecast £0.066m | |

Communities

Communities are forecasting an overspend of £0.265m against a budget of £9.216m, (2.9%).

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| Planning & Development | Planning & Development are presently forecasting a (£0.485m) underspend from generating additional income in Development Management, which reflects the level of business they are currently and effectively dealing with. |
| Variation (£0.485m) underspend | |
| Variance to November's forecast (£0.140m) | |
| Growth & Economy | The Growth and Economy department is forecasting, for December 2022, an overall underspend of (£0.010m) for the year - which is the same as was forecast last month. |
| Variation (£0.010) underspend | 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. |
| Variance to November's forecast (£0.000m) | |
| Environmental | The forecast variance for Environmental Services for December is £0.760m. |
| Variation £0.760m Overspend | This is largely due to the continued pressure within Car Parks of £0.333m. There is a £0.280m reduction anticipated in car park income largely due to reduced demand. Other variances across the service totalling £0.053m are due to an increase in premises and contractor costs. |
| Variance to November's forecast £0.028m | The forecasted pressure of £0.459m within Waste and Recycling is as a result of multiple factors, but predominantly due to a pressure of £0.383m 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 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. |

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| | <p>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 (£0.179m).</p> <p>This forecast is made up of other minor variances across Waste and Recycling totalling £0.059m.</p> <p>This forecast is made up of other minor variances across Environmental Services totalling (£0.032m).</p> |
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| Regulatory | Regulatory Services and Community Safety are forecasting a balanced outturn. The change in outturn forecast from the small overspend forecast last month is due to a small increase in expected licensing receipts and small changes to the forecast income from other work following a review of year to date income. |
| Variation £0.000m | |
| Variance to November's forecast (£0.020m) | |

Executive Matters

Executive Matters is forecasting an underspend of (£0.393m) against the budget of £0.034m, (-1155.9%).

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| Interest | Due to increased interest rates the council is anticipating higher than expected income of (£0.393m). |
| Variation (£0.393m) underspend | |
| Variance to November's forecast (£0.054m) | |

Policy Contingency

Policy Contingency is forecasting an underspend of (£0.332m) against a budget of £2.100m, (-15.8%).

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| 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 November's forecast £0.000m | |
