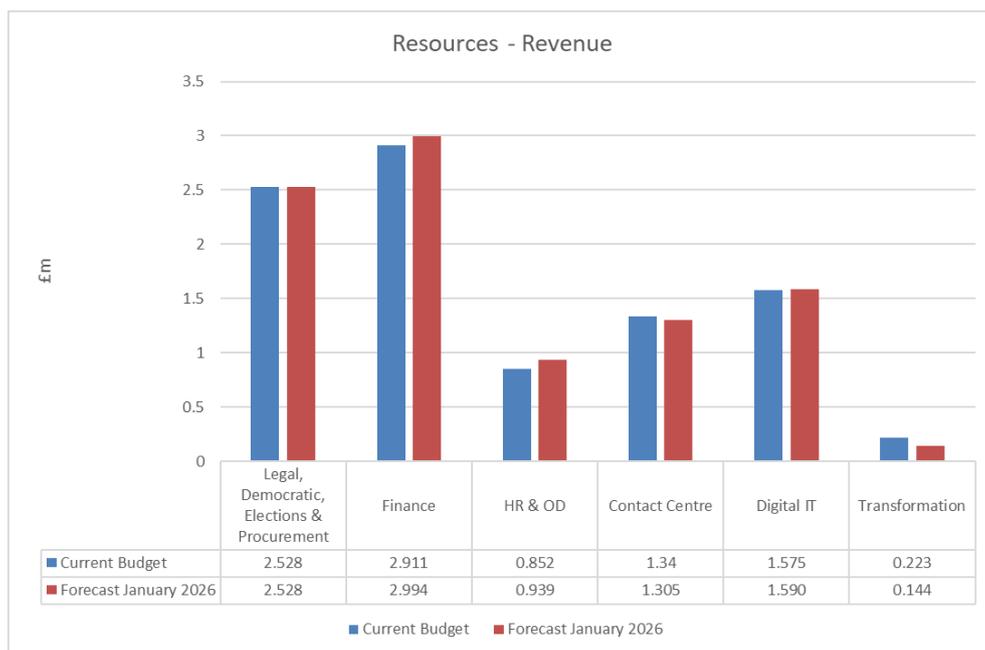


Appendix 1 – Detailed Narrative on Forecast January 2026

Resources

Revenue:

Resources are forecasting £0.071m overspend against a budget of £9.429m (0.75%). 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.



<p>Legal, Democratic, Elections & Procurement</p> <p>Variation £0.000m</p> <p>Variations To December's Forecast £0.000m</p>	<p>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.</p>
<p>Finance</p> <p>Variation £0.083m Overspend</p>	<p>The forecast year end position is an overspend of £0.083m. 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</p>

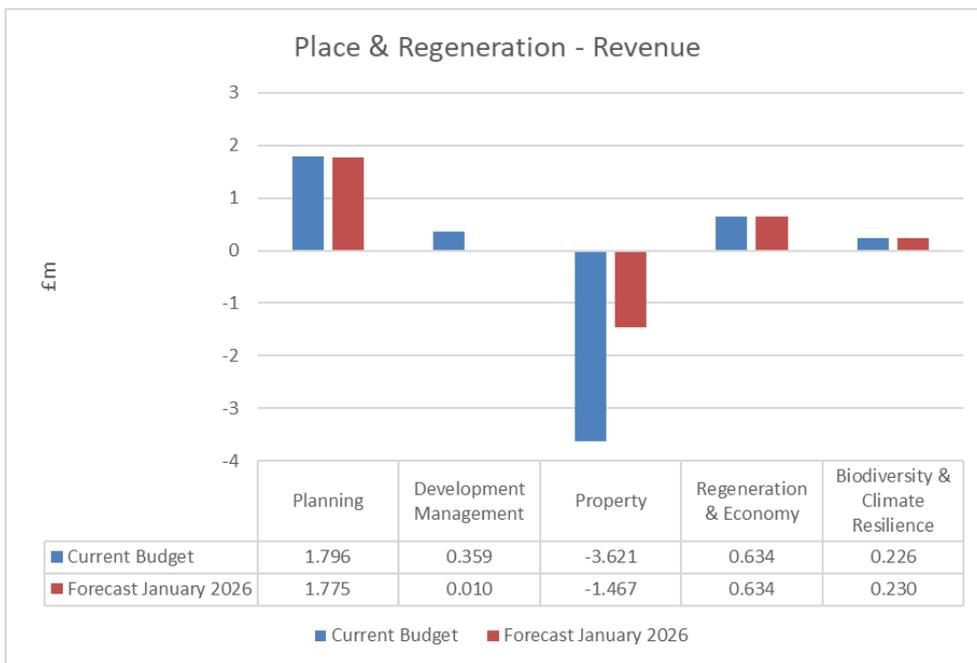
<p>Variation to December's Forecast (£0.039m)</p>	<p>grant payments to be made, we are forecasting a overspend due to increased expenditure on Temporary accommodation and Supported accommodation claims which are not fully grant funded by the Government, but the council has an obligation to pay. Additional New Burdens grant funding has also been received of (£0.069m).</p> <p>Minor changes across budget areas this month.</p>
<p>HR & OD</p> <p>Variation £0.087m Overspend</p> <p>Variation to December's Forecast £0.000m</p>	<p>The main driver of the forecasted overspend is the corporate decision not to proceed with changes to the current overtime policy, resulting in the non-delivery of £0.041m 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.</p> <p>Minor changes across the service.</p>
<p>Contact Centre</p> <p>Variation (£0.035m) Underspend</p> <p>Variation to December's Forecast (£0.021m)</p>	<p>Customer Services is showing an underspend due to vacant hours on the establishment.</p> <p>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.</p> <p>2 posts have given notice and will become vacant in the next couple of weeks, but will not be filled by end of year, resulting in a further in year saving. Additional savings further to Statutory Maternity Pay adjustments.</p>
<p>Digital IT</p> <p>Variation £0.015m Overspend</p> <p>Variation to December's Forecast £0.000m</p>	<p>Minor overspends across the service.</p>
<p>Transformation</p>	

Variation (£0.079m) 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 December's Forecast (£0.007m)	Business Process Analyst Vacancy remains vacant.

Place & Regeneration

Revenue:

Place & Regeneration are forecasting £1.788m overspend against a budget of (0.606m) (-275.0%).



<p>Planning & Development Management</p> <p>Planning Variation (£0.021m) underspend</p> <p>Development Management Variation Underspend (£0.349m)</p>	<p>Building Control is presently forecast to be within budget (£0.029m) due to some additional income receipts and some new staffing costs for land drainage being incurred later than expected. Planning Policy, Conservation & Design is presently forecast to be on budget (£0.007m over). A reserve is available for the Local Plan Examination if required in due course.</p> <p>Development Management is presently forecasting an underspend of (£0.349m). 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. The fees</p>
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<p>Variation to December's Forecast Planning (£0.029m)</p> <p>Development Management (£0.179m)</p>	<p>received are inclusive of those for work that will extend into the next financial year.</p> <p>The main changes since last month comprise additional Development Management income expectations. Continued close monitoring of Development Management income and agency costs to meet work demand.</p>
<p>Property</p> <p>Variation £2.154m Overspend</p> <p>Variation to December's Forecast £0.179m</p>	<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 improved income from Lock29.</p> <p>To strengthen future reporting, we have completed a full data review, introduced improved processes for regular financial updates, and are recruiting an in-house resource to replace the current supplier role, ensuring greater clarity and robustness. While unforeseen events remain a risk, these measures will significantly reduce volatility and improve confidence in future forecasts.</p> <p>The variation from last month is due to increased costs relating to repairs and Maintenance on buildings along with reduced income from car parks which we are closely monitoring.</p>
<p>Regeneration & Economy</p> <p>Variation £0.000m Overspend</p> <p>Variation to December's Forecast (£0.052m)</p>	<p>Regeneration & Growth is currently reporting on budget after a review of the team's structure and budget allocation as mentioned in the December report this has led to the mitigation of the overspend previously reported.</p> <p>Through use of external funding to fund officer time allocated to deliver externally funded projects.</p>
<p>Biodiversity & Climate Resilience</p> <p>Variation £0.004m Overspend</p>	<p>Biodiversity & Climate Resilience is reporting a small overspend of £0.004m for 2025/26.</p>

Variation to
December's
Forecast £0.004m

There has been some minor overspends identified as part of forecasting.

Neighbourhood Services

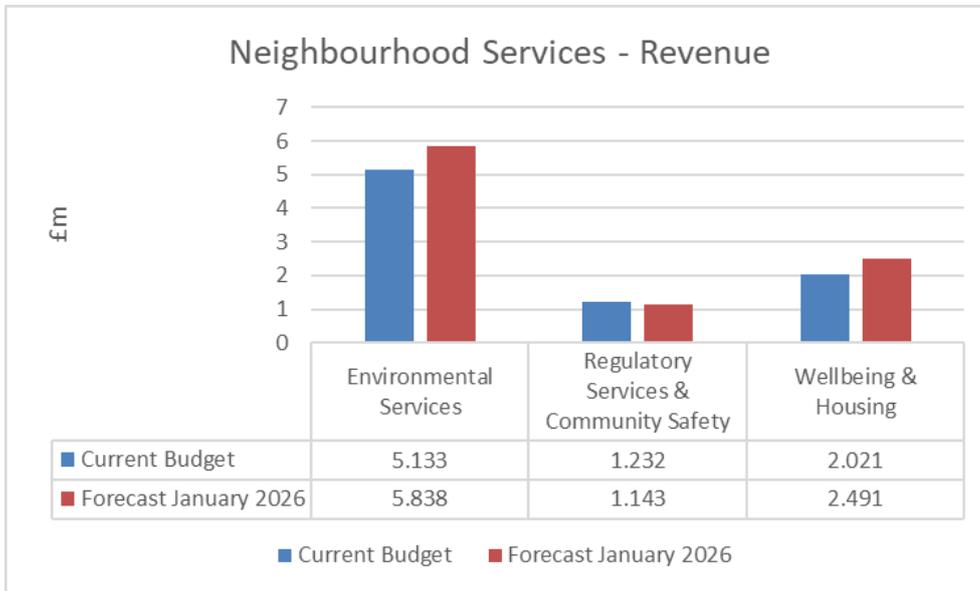
Revenue:

Neighbourhood Services are forecasting £1.086m overspend against a budget of £8.386m (13.0%).

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.



Environmental Services

Variation
£0.705m
Overspend

The forecasted pressure of £0.705m within Environmental Services is largely due to staffing pressures £0.660m within Waste and Recycling primarily because of the need for agency staff usage.

An under recovery of anticipated income for vehicle repairs of £0.126m.

A reduction of £0.025m in anticipated income for street markets and annual fairs.

The rise in gate fees has also impacted the service.

Variation to
December's
Forecast
£0.083m

There have been movements across many services in the last month resulting in an increased overspend. The main being a result of continued sickness levels which required backfilling by agency staff. Mitigations are being actively sought.

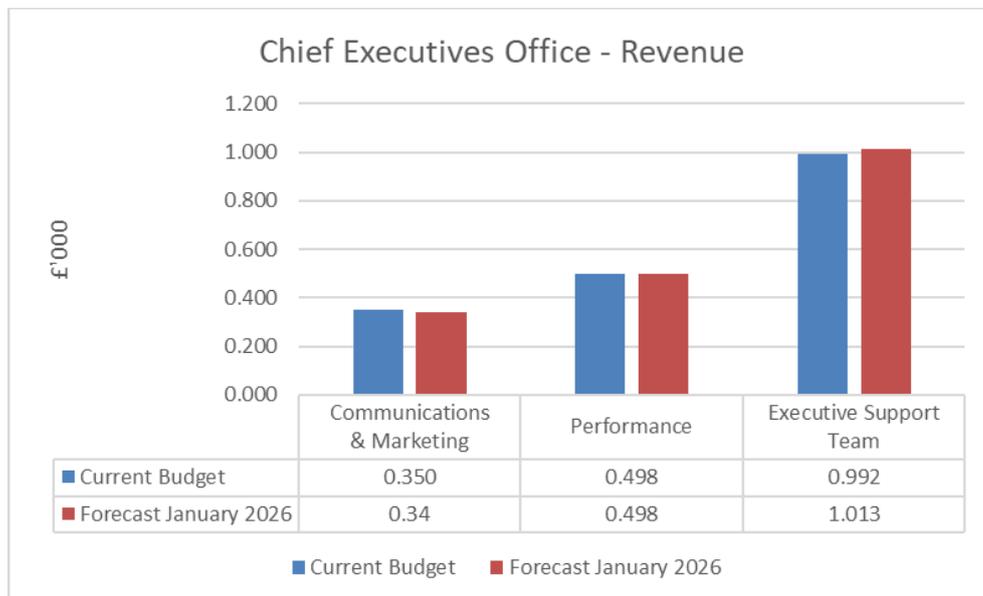
	<p>Mitigations to date include non-recruitment to vacant posts across the service, a reduction in arboricultural works carried out, additional work carried out on behalf of local partners and a reduction in training carried out.</p> <p>Mitigations will continue to be identified throughout the year.</p>
<p>Regulatory Services & Community Safety</p> <p>Variation (£0.089m) Underspend</p> <p>Variation to December's Forecast (£0.031m)</p>	<p>Regulatory Services and Community Safety are forecasting an underspend of (£0.089m).</p> <p>Additional savings from staffing costs due to maternity leave as well as reduced kennel fees and improved fines income.</p>
<p>Wellbeing & Housing</p> <p>Variation £0.470m Overspend</p> <p>Variation to December's Forecast £0.024m</p>	<p>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.</p> <p>There is a small increase to the forecasted overspend due to a revised recovery of costs from Council partnership arrangements. Over the course of the year, it has been possible to underspend on some provisions within the budget and reduce the forecasted overspend. The Council has also received increases in grant aid increasing budget provision for temporary accommodation.</p>

Chief Executives Office

Revenue:

Chief Executives Office are forecasting £0.011m overspend against a budget of £1.840m (0.6%).

Overall, the Service is 0.6% over budget for the 25/26 financial year which is largely due to unplanned recruitment costs reported in December 2025.



<p>Communications & Marketing</p> <p>Variation (£0.010m) Underspend</p> <p>Variation to December's Forecast (£0.004m)</p>	<p>The forecast is currently £0.010m behind budget mainly due to lower costs on external print and design that had been budgeted for at the start of the year.</p> <p>Some external costs relating to printing, etc have been less than originally forecast.</p>
<p>Performance</p> <p>Variation £0.000m Overspend</p> <p>Variation to December's Forecast £0.008m</p>	<p>The service is forecast to be on budget for the year.</p> <p>Licencing costs have now been fully accounted for within the year which has reduced the underspend previously reported.</p>
<p>Executive Support Team</p> <p>Variation £0.021m Overspend</p>	<p>Overall, the Service is over budget for the 25/26 financial year which is largely due to some unplanned recruitment costs.</p>

<p>Variation to December's Forecast (£0.004m)</p>	<p>Every opportunity is being taken where possible to make savings that will mitigate the expected overspend.</p> <p>There has been some movement in the budget due to recognition of staff costs that had not previously been apportioned to this service area.</p>
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Executive Matters

Revenue:

Executive Matters are forecasting a (£1.428m) underspend against a budget of £5.131m (-27.8%).

<p>Executive Matters</p> <p>Variation (£1.428m) Underspend</p> <p>Variation to December's Forecast (£0.078m)</p>	<p>Executive Matters are forecasting an underspend of (£1.428m) consisting of (£0.500m) dividend expected from Graven Hill, Provision for bad and doubtful debts £0.112m and an over recovery of net interest of (£1.040m).</p>
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Policy Contingency

Revenue:

Policy Contingency are forecasting a (£1.528m) underspend against a budget of £2.015m (-75.8%).

<p>Policy Contingency</p> <p>Variation (£1.528m) Underspend</p> <p>Variation to December's Forecast £0.146m</p>	<p>Policy Contingency includes £1.100m for Market Risk. This has been released along with £0.428m (and shown as an underspend) in order to offset overspends in the directorates.</p>
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