

Appendix 2 - Report Details – Additional Revenue narrative

Chief Executive

Chief Executives are forecasting an underspend of (£0.280m) against a budget of £6.054m (-4.6%). Directorate is working efficiently to deliver high quality services within its budget envelope.

HR & OD

£0.000m Variance HR are forecasting to be on budget at year end.

Variation to
November's Forecast
£0.000m

Wellbeing & Housing

Variation Proactive work from the team has increased income.
(£0.200m) Particularly in the areas of housing standards, where
underspend enforcement actions to improve homes in the rented sector
 have increased income. There has also been better use of
 external funding received.

Variation to
November's Forecast
(£0.000m)

Customer Focus

Variation We are currently predicting an underspend at year end by
(£0.080m) underspend managing vacancies and operational costs to offset the
 reduction in land charges income caused by volatile
 market conditions.

Variation to We have found an additional £10,000 of savings from
November's Forecast staffing efficiencies to increase our year-end underspend
(£0.010m) forecast to £80,000.

Resources

Resources are forecasting £0.353m overspend against a budget of £4.751m (7.4%).

There are tight managerial controls within the resources directorate that have enabled a small forecast overspend. An understanding on the election costs is underway, and the team will work towards mitigating this further.

Finance

Variation (£0.050m) underspend	Based on the latest information, it is forecast that bank charges linked to processing payments will be less than budgeted.
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Variation November's Forecast (£0.000m)	to
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Legal & Democratic, Elections & Procurement

Variation £0.287m Overspend	Overspend is due to: 1) higher than anticipated costs of delivering the District Elections. 2) an unavoidable reliance on agency staff whilst we continue with recruitment for permanent staff. 3) Legal fees and license charges for case management system . 4) Under recovery of income due to decrease in s106 fees (because of work being carried out externally).
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Variation November's Forecast £0.047m	to	The increase in forecast overspend from last month is largely driven by increased agency costs. A permanent recruitment campaign has been implemented.
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ICT

Variation (£0.020m) Underspend	(£0.020m) underspend due to: - 1) savings we have made from further reductions in redundant and underutilised phone lines. 2) a reduction in hardware expenditure as more of our infrastructure is cloud based.
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Variation November's Forecast (£0.000m)	to
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Property

Variation
£0.136m Overspend

£0.035m overspend in Property is largely as a result of a dependency on agency staff. Permanent recruitment is ongoing. The remaining £0.101m is a result of an overspend within car parks (previously within Environmental Services). The 0.101m can be broken down as:

- 1) £0.030m under recovery of car park income.
- 2) £0.071m increase in the forecast fee payable to Oxfordshire County Council (OCC) for car park management.

Variation
November's Forecast
£0.071m

to Cherwell District Council pay OCC an annual fee for car parking services. Following a transfer of the service to Property, it has been identified that whilst the contract for this service was not signed until September, the provision of the service had been received since April and so additional costs of £0.071m need to be built into the forecast. The extra staff cost is partly offset by a projected over recovery of commercial rental income and the under recovery of Car Park income is partly offset by a reductions in anticipated management fees.

Communities

Communities are forecasting an overspend of £0.317m against a budget of £10.257m, (3.1%).

The Directorate has looked carefully across all the service budget areas to identify savings to support the external cost pressures in Environmental services and Planning Development for appeal costs that haven't been accounted for.

Planning & Development

Variation
£0.308m Overspend

Planning and Development now forecasts an overspend of £0.308m. This is the result of agency staffing costs exceeding the cost of unfilled established posts, the cost of legal and consultant representation for planning appeals and Building Control income forecasts remaining lower than budget.

Variation
November's Forecast
(£0.042m)

to The £0.308m overspend is £0.042m lower than last month's £0.350m due to higher income expectations for planning applications which are assisted by the national increase in planning fees and the receipt of planning

monitoring fees which are helping to offset additional costs.

A coordinated recruitment campaign is being pursued to fill established posts and costs are continuing to be managed closely.

Growth & Economy

Variation
(£0.090m)
Underspend

The UK Shared Prosperity grant received for 2023/24 has been utilised to support the services in delivering the Councils priorities allowing for Council resource to be diverted to support other services within the Communities directorate.

Variation to
November's Forecast
£0.000m

Environmental

Variation
£0.099m
Overspend

The forecasted pressure of £0.099m within Environmental Services is primarily due to changes in the global market for recycled materials falling as recycling processing costs have increased.

Commodity prices are currently very volatile and this could change again during the fourth quarter.

Variation to
November's Forecast
£0.016m

The movement of £0.016m is a result of increased vehicle maintenance and repairs costs for the street cleansing vehicles due to the fleet aging as we wait for electric replacements.

Monthly meetings with our recycling reprocessor and monitoring of the individual commodity prices allows to estimate gate fees in advance of the quarterly price agreement.

Cost savings identified for 2024/25 for direct delivery of food waste have been commenced early.

The service is continually reviewing it's spend in less critical, front line services.

Regulatory

Variation
£0.000m

Regulatory Services and Community Safety are forecasting a balanced outturn.

Variation to
November's Forecast
£0.000m

Executive Matters

Executive Matters is forecasting an underspend of (£0.048m) against the budget of £3.695m (-1.3%).

Interest

Variation
(£0.048m) underspend

Executive Matters are forecasting an over recovery of net interest, the windfall surplus is offset by movements of (£0.170m) to the Commercial Risk Reserve as part of Appendix 5.

Variation to
November's Forecast
(£0.000m)

Policy Contingency

Policy Contingency is forecasting an underspend of £1.818m against a budget of £3.526m, (51.6%)

Policy Contingency

Variation
(£1.818m) underspend

Variation to
November's Forecast
£0.000m

Following a review Policy Contingency is projecting an underspend due to inflation requests being below the levels held in contingency of (£2.318m), of this (£1.476m) will offset the overspend within funding relating to the under recovery of S31 grant, (£0.351m) offsetting the overspend within services and the remaining (£0.500m) which is being requested to be moved to the Transformation Implementation Reserve.
