

Appendix 2 - Report Details – Additional Revenue narrative

Chief Executive

Chief Executives are forecasting an underspend of (£0.330m) against a budget of £6.044m (-5.5%). 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
December'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
December's Forecast
(£0.000m)

Customer Focus

Variation We are currently forecasting an underspend at year end
(£0.130m) underspend by 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 £50,000 of savings from
December's Forecast staffing efficiencies to increase our year-end underspend
(£0.050m) forecast to £130,000.

Resources

Resources are forecasting £0.472m overspend against a budget of £4.765m (9.9%).

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 forecasted that bank charges linked to processing payments will be less than budgeted, mitigating other minor overspends. We have also over achieved regarding grant income.

Variation to
December's Forecast
(£0.000m)

Legal, Democratic, Elections & Procurement

Variation
£0.345m
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).

Variation to
December's Forecast
£0.058m

The overspend from last month is largely driven by increased agency costs.
A permanent recruitment campaign has been implemented.

ICT

Variation
£0.025m overspend

£0.025m overspend is made up of: -

Variation to
December's Forecast

1) (£0.020m) underspend due to savings we have made from further reductions in redundant and underutilised phone lines and a reduction in hardware expenditure as more of our infrastructure is cloud based.
2) 0.045m overspend due to costs incurred for consultancy services, subscriptions and licenses.

£0.045m

Property

Variation
£0.152m Overspend

£0.036m overspend in Property is largely as a result of a dependency on agency staff. Permanent recruitment is ongoing. The remaining 0.116m is a result of an overspend within car parks (previously ES). The £0.116m can be broken down as:

- 1) £0.028m under recovery of car park income and
 - 2) 0.078m increase in the forecasted fee payable to OCC for car park management
 - 3) Various other small overspends totalling £0.010m
- This £0.116m overspend is therefore a result of historical pressures which have since been identified following the movement of the service.

Variation
December's Forecast
£0.016m

to £0.015m within Car Parks – estimated amount owed re the car park contract has increased by £0.006m because projected PCM monies (which get deducted from fee we pay) appeared too optimistic when reviewed. Of the remaining £0.010m, £0.008m is an estimated overspend on Electricity at the Bus Station.

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 £0.189m against a budget of £10.253m, (1.8%).

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
£0.231m Overspend

Planning and Development now forecasts an overspend of £0.231m. 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 to
December's Forecast
(£0.077m)

The £0.231m overspend is £0.077m lower than last month's £0.308m due largely to higher income expectations from Planning Performance Agreements (£0.074m). Building control income is lower than expected this month by approximately £0.016m but offset by net cost reductions across the department.

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
December's Forecast
£0.000m

Environmental

Variation
£0.072m
Overspend

The forecasted pressure of £0.072m 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
December's Forecast
(£0.027m)

The movement of (£0.027m) is a result of additional income through various waste and recycling streams and a reduction in anticipated gate fee costs for dry recycling and food waste.

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 its spend in less critical, front line services.

Regulatory

Variation
(£0.024m)
Underspend

Regulatory Services and Community Safety are forecasting a small underspend of (£0.024m). The forecasted saving is as a result of savings delivered through holding vacancies open for an extended period.

Variation to
December's Forecast
(£0.024m)

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 (£0.072m) to the Commercial Risk Reserve as part of Appendix 5.

Variation to
December's Forecast
(£0.000m)

Policy Contingency

Policy Contingency is forecasting and underspend of (£1.818m) against a budget of £3.695m, (-51.6%)

Policy Contingency

Variation
(£1.818m)

The unallocated inflation contingency underspend forecast this month within policy contingency will mitigate the under-recovery of S31 grant and the remaining offsetting the overspend within directorates.

Variation to
December's Forecast
£0.000m
