

Appendix 3 - Quarter 1 budget report

Chief Executive

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	262,751	239,099	23,652	1
Premises	0	0	0	
Transport	0	0	0	
Supplies & Services	8,160	8,160	0	
Payments to Third Parties	0	0	0	
COVID-19 Costs	0	0	0	
Income	0	0	0	
TOTAL	270,911	247,259	23,652	

1) The saving on Employee costs is as a result of the Chief Executive no longer paying into the pension scheme.

Community Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	1,318,594	1,321,418	(2,824)	
Premises	0	0	0	
Transport	900	900	0	
Supplies & Services	132,479	132,887	(408)	
Payments to Third Parties	5,540,704	5,624,080	(83,376)	2
COVID-19 Costs	0	75,899	(75,899)	3
Ringfenced Projects and Funding	0	0	0	
Income	(2,318,096)	(2,357,007)	38,911	4
TOTAL	4,674,581	4,798,177	(123,596)	

2) The adverse variance of £83k is due to the following:

Ubico have informed us that due to the driver shortage, from September they will need to increase the drivers hourly rate by a market supplement, this equates to £58k this financial year. The net position of the other aspects of the contract sum is forecast to be on target. £35k to be spent on Domestic Homicide which is offset against the £35k grant we have received, which is included in income below. We have seen a reduction in the MRF gate fee in Q1 which we expect for the foreseeable, this is due to transferring the MRF gate contract to the new provider. There has been a reduction in waste rejection, which in turn has reduced costs by £40k. We also received a £20k credit note from Suez relating to 20/21, which was unforeseen.

3) Breakdown of COVID expenditure:

Ubico costs for extra PPE, staffing, sick pay, cleaning materials etc..expected to be £50k by the end of the financial year
£20k - Environmental Health Manager's resource on COVID related matters.

4) Domestic Homicide grant of £35k not within base budget

Received £24k more trade waste income than budgeted

Reduced income expected of £15k from recovering homeless costs

Corporate Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,185,920	2,139,269	46,651	5
Transport	0	0	0	
Supplies & Services	603,481	644,742	(41,261)	5
Payments to Third Parties	172,800	172,994	(194)	
Transfer Payments - Benefits Service	13,544,132	13,544,132	0	
COVID-19 Costs	0	162,473	(162,473)	6
Income	(14,032,426)	(14,090,848)	58,422	7
TOTAL	2,473,907	2,572,761	(98,854)	

5) The employees underspend and supplies and services overspend are mainly attributed to the financing of the new digital platform. This is funded from the Business Administration post which has not been refilled.

6) The Covid-19 costs mainly relate to the backfill of staff within the Revenues and Benefits team as members of this team remain deployed within the Business Cell. This cost is offset by a new burdens funding received from the Government to administer business grants

7) The Covid-19 income this relates to additional government funding for Revenues and Benefits related schemes.

Democratic Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	278,230	253,856	24,374	8
Transport	9,600	10,281	(681)	
Supplies & Services	452,785	464,687	(11,902)	9
Payments to Third Parties	37,100	39,836	(2,736)	
COVID-19 Costs	0	0	0	
Income	(3,000)	(7,354)	4,354	

TOTAL	774,715	761,306	13,409
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8) Favourable variance is due to the following:
£43k saving due to the vacancy of Electoral Registration Officer post, not expecting to recruit this year.
£11k of overtime not included in budget

9) Equipment purchased for the Police Crime Commissioner Elections

Deputy Chief Executive

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	125,845	0	125,845	10
Transport	200	0	200	
Supplies & Services	2,400	0	2,400	
Payments to Third Parties	0	150	(150)	
TOTAL	128,445	150	128,295	

10) The vacant deputy chief executive post will not to be filled as per the Council report in June.

Development Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,027,431	1,994,898	32,533	11
Premises	43,320	43,135	185	
Transport	0	309.75	(310)	
Supplies & Services	204,885	184,893	19,992	12
Payments to Third Parties	333,795	304,732	29,063	13
COVID-19 Costs	0	0	0	
Income	(1,391,122)	(1,331,876)	(59,246)	14
TOTAL	1,218,309	1,196,092	22,217	

11) The employee variance relates mostly to planning policy, where a senior policy post has been vacant. The post is now appointed to and will be filled from August. The total saving for 4 months is £10k. Moreover, the policy manager is contracted to work 7 hours less a week than budgeted for. This will result in a saving of £9k. A temporary senior planning officer has recently been recruited to the team to support the work of the team. The remaining salary savings within Development is the Tourism post. The post is expected to be appointed to over the next few months. The total saving in year would be £8k.

12) Tourist Information Centres have been closed during the summer months. Historically, this is one of the busiest periods for sales. Therefore, it's unlikely that additional stock will need to be purchased for resale during the year. Also, the Growth Hub is more likely to offer online events at little or no costs and so this will result in a small saving when compared to hosting live events.

13) The Tourist Information centres would usually purchase tickets for resale. Due to COVID, large events have still not gone ahead, so the tickets have not been purchased. However, this does also give a negative variance on the income budget. A further saving is being made on land searches being recharged to us from Gloucestershire County Council.

14) Planning income is strong in Q1 and we expect to be at least on target by year end. A £250k application was received from the MOD in Q1. However, pre-app income is down on budget in Q1. This is difficult to predict but we've assumed the trend will continue to be prudent, resulting in an overall estimated shortfall of £20k. There is also a high court decision due on speculative development sites. The Tourist Information Centres will have a likely shortfall of £37k against budget, due to closure in their busiest period.

Finance and Asset Management

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,408,348	2,419,610	(11,262)	15
Premises	547,091	549,360	(2,269)	
Transport	35,870	34,857	1,013	
Supplies & Services	563,688	547,185	16,503	16
Payments to Third Parties	399,511	416,451	(16,940)	17
Drainage Board Levy	6,500	7,172	(672)	
COVID-19 Costs	0	176,722	(176,722)	18
Income	(1,410,435)	(1,048,342)	(362,093)	19
TOTAL	2,550,573	3,103,014	(552,441)	

15) COVID-19 support from central Government is funding an additional post in the Assets team.

16) PDQ charges expected to make saving of £18K

17) Increased costs relating to cemeteries, but this is in line with additional income.

18) Reduced estimate of £150k to support the leisure centre which we hope will reduce further in Q2. £27k attributed to additional staffing as some staff are still deployed fully to the COVID-19 response.

19) Car Park Income expected to be reduced by approximately £153k. The Council Offices has vacant office space costing £62k of lost income subject to new tenants being found. £160k of income from the Leisure Centre will not be paid as they have an income deficit. There is an expected increase of £50k in cemetery income.

One Legal

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,276,597	2,129,377	147,220	20
Transport	8,700	3,270	5,430	
Supplies & Services	115,313	106,383	8,930	
Payments to Third Parties	34,220	34,220	0	
Central Recharges	29,929	29,929	0	
Income	(2,221,101)	(1,828,163)	(392,938)	21
TOTAL	243,658	475,016	(231,358)	

20) A number of vacant post in One Legal contributing to the surplus. This is offset by an estimated cost of £80,000 for the new Director of One Legal post, which Tewkesbury have agreed to finance until year end as per the Council report in June.

21) Actual income for Q1 is below the budgeted figures and the income projected for the remainder of the year is based on those figures and historical data from the previous 2 financial years.

It is too soon to predict the effects of the Cadence Innova review and the impact of the implemented staffing changes on the One Legal income. These estimates will be regularly reviewed as we continue to closely monitor the One Legal budget.

Borough Solicitor

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	125,455	134,137	(8,682)	
Supplies & Services	15	9	6	
Income	(43,651)	(21,826)	(21,826)	22

TOTAL

81,819

112,320

(30,501)

22) Loss of contribution from Cheltenham Brough Council for monitoring Officer services after 1st October 2021