

Appendix 3 - Quarter 3 budget report

Chief Executive

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	262,751	227,514	35,237	1
Premises	0	0	0	
Transport	0	0	0	
Supplies & Services	8,160	29,097	(20,937)	2
Payments to Third Parties	0	0	0	
COVID-19 Costs	0	0	0	
Income	0	0	0	
TOTAL	270,911	256,611	14,300	

- 1) The saving on Employee costs is as a result of the Chief Executive no longer paying into the pension scheme.
- 2) Advertisement for Director of Law

Community Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	1,358,594	1,342,534	16,060	3
Transport	900	137	763	
Supplies & Services	142,479	133,754	8,725	
Payments to Third Parties	5,500,704	5,354,319	146,385	4
COMF Funding	0	(110,520)	110,520	5
COVID-19 Costs	0	38,721	(38,721)	6
COVID-19 Recovery	0	26,287	(26,287)	7
Ringfenced Projects and Funding	0	0	0	
Income	(2,328,096)	(2,800,728)	472,632	8
TOTAL	4,674,581	3,984,504	690,077	

- 3) The favourable variance of £16k is due to the following:

£30k saving due to the Planning Liaison/Contaminated Land Officer vacancy, this post will remain vacant for the majority of the year, we have been using Bromsgrove DC for Planning advice, these costs are included in Payments to Third Parties.

The Community Safety/ASB Coordinator post was vacant for part of the year equating to a £17k saving

£16k favourable variance as various posts in Environmental Health are part time but are budgeted as FTE

£27k favourable variance as the Licensing & Systems Officer's hours have reduced

£14k adverse variance as the Ubico Contract Manager role was temporarily backfilled through an agency during the recruitment process

£33k adverse variance due to homelessness administrators not within budget, they are currently being funded by a grant (included in income).

- 4) Due to the national driver shortage Ubico increased the drivers hourly rate by a market supplement, this was actioned in September and equates to £68k this financial year.

The council budgeted £112k for an extra food waste crew this financial year, due to delays in acquiring a new vehicle this has been postponed until next financial year. To eliminate missed food waste collections Ubico have paid the crew overtime, this has been funded from this growth item.

There has been a reduction in the MRF gate fee which is expected for the foreseeable, this is due to transferring the MRF gate contract to the new provider and a reduction in waste rejection, in turn this has reduced costs by £160k. In addition to this, the council received a £20k credit note from Suez which related to 20/21, this was unforeseen hence it being accounted for in this financial year.

£20k adverse variance as the pharmacy collection of NHS sharps for 21/22 was omitted from the budget.

£150k was forecast for in-cab technology, we are no longer expecting to incur any costs until next financial year.

£25k adverse variance due to obtaining planning advice from Bromsgrove District Council, the council currently do not have the resource in house as the Planning Liaison & Contaminated Land Officer post remains vacant.

There has been a large increase in demand of emergency accommodation which we forward project an adverse variance of £83k against budget, around 80% of these costs will be recovered, any unrecovered will be funded by the homelessness grant.

Homelessness prevention rent arrears is expected to be £42k by the end of this financial year, this will be fully funded from the homelessness grant.

£35k to be spent on domestic abuse which is offset against the £35k grant we have received, which is included in income below.

- 5) The council has received £360k of funding for specific expenditure relating to contain outbreak management.

A further £50k has been received relating to Visitor Economy.

Estimated expenditure by the end of this financial year is £300k.

Surplus COMF funding can now be carried forward into next year for future contain outbreak management expenditure.

- 6) Breakdown of COVID expenditure:

Ubico costs for extra PPE, staffing, sick pay, cleaning materials etc..expected to be £45k by the end of the financial year

£17k - Environmental Health Manager's resource on COVID related matters.

A grant of £44k has been received for Homelessness Prevention Winter 2021 COVID-19 to support low-income private renters with COVID related arrears, estimated expenditure is £29k leaving a surplus of £15k.

We are due to receive a further COVID grant of £11k this year for Protect and Vaccinate, this is to incentivise rough sleepers to be vaccinated and also help to accommodate them. It is currently unknown how much of this grant will be utilised.

- 7) This expenditure is fully funded by the COVID tranche grant

8) £211k homelessness grant received, not within budget.
 Due to a decrease in residual waste we expect to receive £55k more in recycling credits this year.
 The bulky waste service is expected to generate an additional £21k by the end of the year.
 Domestic abuse new burdens grant of £35k was not within base budget
 Income received from the garden waste service is currently £15k greater than budget.
 £58k of income expected to be recovered for emergency accommodation.
 Trade waste income is currently £23k greater than budget.
 An additional £31k of licensing income has been generated this year.
 £15k from Police Crime Commissioner for 21/22 annual contribution, this is not within base budget.

Corporate Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,147,308	2,100,171	47,137	9
Transport	0	370	(370)	
Supplies & Services	642,093	587,254	54,839	10
Payments to Third Parties	172,800	94,857	77,943	11
Transfer Payments - Benefits Service	13,544,132	13,529,942	14,190	12
COVID-19 Costs	0	244,958	(244,958)	13
Income	(14,032,426)	(14,156,121)	123,695	14
TOTAL	2,473,907	2,401,431	72,476	

9) Mainly relates to a vacant post within the Business Transformation Team (Programme Officer - now recruited to) and a vacant post within the ICT Team (Network Officer - rebadged as Network and Security Architect - recruitment currently unsuccessful)
 10) Savings across four main areas: general ICT licences (£30k), procurement of new landline configuration (£11k), reduction in printer usage (£3k) and procurement of new broadband contract (£4k).
 11) New posts in Business Transformation Team to be recruited to (£40k), ICT audit not yet deployed (£7k) and savings in court fees as courts only re-opened during the year (£16k)
 12) Overall budget is £13m - nothing significant to report.
 13) Relates to additional costs to respond and recover from pandemic related work. The bulk is mainly attributable to additional hours and backfill incurred within the Revenues and Benefits team.
 14) Mainly attributable to new burdens grant funding from govt (£44k) and recovery of court costs as backlog of cases are dealt with (£26k).

Democratic Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	278,230	252,883	25,347	15
Premises	0	15,914	(15,914)	16
Transport	9,600	6,792	2,808	
Supplies & Services	452,785	556,120	(103,335)	17
Payments to Third Parties	37,100	52,049	(14,949)	18
COVID-19 Costs	0	0	0	
Income	(3,000)	(187,047)	184,047	19
TOTAL	774,715	696,712	78,003	

15) A full time vacant post gives a saving of £43k. This is offset against some overtime to cover maternity leave and elections.
 16) Rental charges for Police and County Elections. These election costs are fully reclaimable and there is grant income to offset.
 17) Other election fees that are fully reclaimable and income is shown above.
 18) Other election fees that are fully reclaimable and income is shown above.
 19) Grant income - mostly relating to Police and County Election - May 2021

Deputy Chief Executive

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	125,845	0	125,845	20
Transport	200	0	200	
Supplies & Services	2,400	0	2,400	
Payments to Third Parties	0	0	0	
TOTAL	128,445	0	128,445	

20) Deputy Chief Exec post has been vacant all financial year and post is to be removed from establishment from 2022/23

Development Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,049,431	1,962,951	86,480	21
Premises	43,320	43,542	(222)	
Transport	0	370	(370)	
Supplies & Services	204,885	199,159	5,726	
Payments to Third Parties	311,795	233,176	78,619	22
COVID-19 Costs	0	0	0	
Income	(1,391,122)	(2,552,247)	1,161,125	23
TOTAL	1,218,309	(113,050)	1,331,359	

21) The employee variance of £86k relates to savings across the Development group. The Planning Department has recently experienced a number of internal moves and resignations resulting in vacant posts. These have gone out for recruitment, however not all have been filled. Interim staff are being used to cover some of the vacant posts. The remaining salary savings within Development is the Tourism post.

22) The Tourist Information centres would usually purchase tickets for resale. Due to COVID, large events have still not gone ahead. As a result, there is an anticipated saving of £20k where these tickets have not been purchased. £60k of this had been allocated to support the work on JCS. However, given the JCS Authorities have been reviewing the timetable the work anticipated in 2020/21 has not been undertaken.

23) The highest variant of £1m is due to grant received for JCS in respect of Transport Studies from Strategic Plan for Growth. There is also a favourable estimated variant of £174k on Planning Fees due to a higher number of applications than expected. On the other hand there are negative variances of; £57k against the combined budgets for both Tourist information Centres due to Covid closures in their busiest time resulting in a loss in sales revenue and staff costs, £20k Pre-planning advice, £24k to be claimed back from CBC for Street Naming and Numbering and £17k for PPA Fees.

Finance and Asset Management

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,408,348	2,404,125	4,223	
Premises	547,091	542,785	4,306	
Transport	55,870	27,700	28,170	24
Supplies & Services	563,688	492,324	71,364	25
Payments to Third Parties	399,511	403,942	(4,431)	
Drainage Board Levy	6,500	7,172	(672)	
COVID-19 Costs	0	132,951	(132,951)	26
Income	(1,430,435)	(1,195,190)	(235,245)	27
TOTAL	2,550,573	2,815,807	(265,234)	

24) Surplus expected on gross costs of business travel but £20k savings target include in income.

25) Savings due to £64k on bank charges and expected £10k on postage. There are also savings across the board with regards equipment, printer usage, stationery, subscriptions and insurances. These are reduced by additional audit costs of £12k, and £7.5k of additional treasury brokerage fees for future dated borrowing deal.

26) Leisure centre costs based on latest PfP report. Utilities bills price rises have substantially increased costs, and effect of the Omicron variant on swimming sessions sold have reduced revenue. An overall loss of £120k is expected at YE. There are also costs of

27) Expected losses of £71.5k on car parks income. The Golf club will see no rent this year and a loss of £25k from budgeted income. The rent at the Council Offices is also due to be £62k down on budget due to vacant units on the top floor. At present we expect no income from the leisure centre so a £160k loss. There are £26k of gains expected on Car Park Permits and £48k relating to combined income from both cemeteries.

Garden Communities

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	0	162,541	(162,541)	28
Premises	0	0	0	
Transport	0	0	0	
Supplies & Services	0	1,690	(1,690)	
Payments to Third Parties	0	24,535	(24,535)	
COVID-19 Costs	0	0	0	
Income	0	0	0	
Reserve Funding	0	(188,767)	188,767	
TOTAL	28	0	0	

28) All expenditure is paid for by external funding from the Ministry of Housing, Communities & Local Government.

Borough Solicitor

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	125,455	126,495	(1,040)	
Supplies & Services	15	-	15	
Income	(43,651)	(21,826)	(21,825)	29

81,819 104,669 (22,850)

29) In accordance with the Council's decision on 22nd June, the Borough Solicitor has stepped down from the role as Monitoring Officer for Cheltenham Borough Council and consequently the CBC contribution of £21.8k, towards the cost of that post for the remainder of the financial year, will not be made.

One Legal

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,276,597	1,790,155	486,442	30
Transport	8,700	1,148	7,552	
Supplies & Services	115,313	85,638	29,675	31
Payments to Third Parties	114,220	87,848	26,372	32
Central Recharges	29,929	29,929	0	
Income	<u>(2,301,101)</u>	<u>(1,792,767)</u>	<u>(508,334)</u>	33
TOTAL	243,658	201,950	41,708	

30) The £486k employee variance relates to various vacant posts across One Legal. Agency staff being utilised where possible to meet the work requirements

31) Savings on:

1. Printer usage £8400
2. Computer annual renewals £15k
3. Postages £4k
4. Broadband and other £2300

32) Full saving attributed to Contracted agency services.

33) Limited resources available to undertake additional work have had an impact on the ability to achieve the income targets and as a result, the actual income for Q3 is below the budget.