

# Appendix A - Quarter 1 budget report

| Chief Executive           | Full Year Budget | Projected Outturn | Savings / (Deficit) |
|---------------------------|------------------|-------------------|---------------------|
|                           | £                | £                 | £                   |
| Employees                 | 275,714          | 277,482           | (1,768)             |
| Premises                  | 0                | 0                 | 0                   |
| Transport                 | 0                | 0                 | 0                   |
| Supplies & Services       | 8,160            | 8,160             | 0                   |
| Payments to Third Parties | 0                | 0                 | 0                   |
| Income                    | 0                | 0                 | 0                   |
| <b>TOTAL</b>              | <b>283,874</b>   | <b>285,642</b>    | <b>(1,768)</b>      |

| Community Services              | Full Year Budget | Projected Outturn | Savings / (Deficit) |
|---------------------------------|------------------|-------------------|---------------------|
|                                 | £                | £                 | £                   |
| Employees                       | 1,473,469        | 1,466,872         | 6,597               |
| Transport                       | 900              | 0                 | 900                 |
| Supplies & Services             | 130,703          | 139,999           | (9,296)             |
| Payments to Third Parties       | 5,674,721        | 5,870,225         | (195,504)           |
| Ringfenced Projects and Funding | 0                | 0                 | 0                   |
| Income                          | (2,449,356)      | (2,537,609)       | 88,253              |
| <b>TOTAL</b>                    | <b>4,830,437</b> | <b>4,939,487</b>  | <b>(109,050)</b>    |

1) The adverse variance of £195k is mainly due to the following:

Due to rising costs of fuel, Ubico have predicted an overspend of £141k. In addition to this, Ubico are expecting an overspend of £50k across various service areas due to higher employment costs, supplies & services and support services.

After budget setting the council were informed of additional running costs in relation to Swindon Road Depot, this amounts to £150k.

The MRF gate fee is expected to be £150k lower than budget which is due to a significant reduction in the gate fee per tonne being paid.

The current buoyant market for recycled materials has resulted in the gate fee paid dropping from £67 per tonne at the start of the contract last year to a current price of £26 per tonne.

2) The £88k favourable variance is predominantly due to the following:

£73k of additional licensing income projected by the end of the financial year.

Income from civil penalty notice's has exceeded budget by £13k in the first quarter.

Recycling credits are expected to be £17k less than budget.

| Corporate Services                   | Full Year Budget | Projected Outturn | Savings / (Deficit) |
|--------------------------------------|------------------|-------------------|---------------------|
|                                      | £                | £                 | £                   |
| Employees                            | 2,470,385        | 2,442,929         | 27,456              |
| Transport                            | 0                | 0                 | 0                   |
| Supplies & Services                  | 674,122          | 687,328           | (13,206)            |
| Payments to Third Parties            | 209,738          | 218,173           | (8,435)             |
| Transfer Payments - Benefits Service | 9,000,000        | 9,000,000         | 0                   |
| COVID-19 Costs                       | 0                | 5,676             | (5,676)             |
| Income                               | (9,488,464)      | (9,540,189)       | 51,725              |
| <b>TOTAL</b>                         | <b>2,865,781</b> | <b>2,813,917</b>  | <b>51,864</b>       |

3) Combination of posts currently vacant across various services eg revenues & benefits, corporate, internal audit.

4) Projected overspend in relation to software and licences re: energy rebate schemes. However, this will be offset by new burdens income received (government grants). Tewkesbury Borough News also projected to be overspent eg increase cost in paper.

5) New burdens grants.

| Democratic Services       | Full Year Budget | Projected Outturn | Savings / (Deficit) |
|---------------------------|------------------|-------------------|---------------------|
|                           | £                | £                 | £                   |
| Employees                 | 303,842          | 263,083           | 40,759              |
| Premises                  | 0                | 280               | (280)               |
| Transport                 | 9,600            | 5,995             | 3,605               |
| Supplies & Services       | 507,445          | 503,190           | 4,255               |
| Payments to Third Parties | 34,000           | 34,031            | (31)                |
| Income                    | (2,500)          | (2,481)           | (20)                |
| <b>TOTAL</b>              | <b>852,387</b>   | <b>804,098</b>    | <b>48,289</b>       |

6) A full time vacant post gives a saving of £44k plus 13 hours saving in another post gives ca. £10k. This is offset against overtime to cover peaks as we near the Borough elections next year.

## Development Services

|                           | Full Year<br>Budget | Projected<br>Outturn | Savings /<br>(Deficit) |   |
|---------------------------|---------------------|----------------------|------------------------|---|
|                           | £                   | £                    | £                      |   |
| Employees                 | 2,184,521           | 2,136,742            | 47,779                 | 7 |
| Premises                  | 53,476              | 49,433               | 4,043                  |   |
| Transport                 | 0                   | 206.5                | (207)                  |   |
| Supplies & Services       | 204,699             | 227,970              | (23,271)               | 8 |
| Payments to Third Parties | 327,795             | 326,020              | 1,775                  |   |
| COVID-19 Costs            | 0                   | 0                    | 0                      |   |
| Income                    | (1,397,111)         | (1,653,254)          | 256,143                | 9 |
| <b>TOTAL</b>              | <b>1,373,380</b>    | <b>1,087,117</b>     | <b>286,263</b>         |   |

7) Projected salary savings due to turnover in a number of positions across the group

8) Overspent mainly due to a high rise in computer annual renewal costs and subscriptions with professional planning software providers.

9) Expected additional income from planning fees and £120k contributions from JCS partnership.

## Finance and Asset Management

|                           | Full Year<br>Budget | Projected<br>Outturn | Savings /<br>(Deficit) |    |
|---------------------------|---------------------|----------------------|------------------------|----|
|                           | £                   | £                    | £                      |    |
| Employees                 | 2,323,828           | 2,342,212            | (18,384)               | 10 |
| Premises                  | 560,322             | 600,703              | (40,381)               | 11 |
| Transport                 | 48,060              | 40,350               | 7,710                  |    |
| Supplies & Services       | 574,067             | 550,682              | 23,385                 | 12 |
| Payments to Third Parties | 373,798             | 351,452              | 22,346                 | 13 |
| Drainage Board Levy       | 6,500               | 7,837                | (1,337)                |    |
| COVID-19 Costs            | 0                   | 0                    | 0                      |    |
| Income                    | (1,385,652)         | (1,290,626)          | (95,026)               | 14 |
| <b>TOTAL</b>              | <b>2,500,923</b>    | <b>2,602,611</b>     | <b>(101,688)</b>       |    |

10) Projected overspend due to costs for climate change consultancy support to be met by unspent agency payments.

11) Overspend due to additional programmed maintenance costs totalling an estimated £25k plus £16k business rates for the area in which One Legal now occupy.

12) Expected savings of £26k associated with PDQ terminal charges.

13) Expected savings on Climate Change agency costs of £14k and a further £10k associated with agency costs relating to the Council Offices and Treasury Mgmt. Greater than expected costs associated with car parks reduce these savings

14) Income is reduced by a vacant unit on the top floor of the Council Offices (£50k) and reduced income from the leisure centre which is expected to be £66k down on budget. Car park income is estimated to be £20k over budget but also £10k down with regards excess charges collected.

## Garden Communities

|                           | Full Year<br>Budget | Projected<br>Outturn | Savings /<br>(Deficit) |    |
|---------------------------|---------------------|----------------------|------------------------|----|
|                           | £                   | £                    | £                      |    |
| Employees                 | 0                   | 264,318              | (264,318)              | 15 |
| Premises                  | 0                   | 0                    | 0                      |    |
| Transport                 | 0                   | 0                    | 0                      |    |
| Supplies & Services       | 0                   | 118                  | (118)                  |    |
| Payments to Third Parties | 0                   | 1,507,536            | (1,507,536)            | 16 |
| COVID-19 Costs            | 0                   | 0                    | 0                      |    |
| Income                    | 0                   | (1,500,000)          | 1,500,000              | 17 |
| Reserve Funding           | 0                   | (271,972)            | 271,972                | 15 |
| <b>TOTAL</b>              | <b>0</b>            | <b>(0)</b>           | <b>0</b>               |    |

15) All salary costs are fully covered by contributions and reserves.

16) M5 A46 Government Grant to be paid to GCC.

17) M5 A46 Government Grant received, will be paid to GCC which has been included in payments to third parties.

## Corporate Director

|                     | Full Year<br>Budget | Projected<br>Outturn | Savings /<br>(Deficit) |
|---------------------|---------------------|----------------------|------------------------|
|                     | £                   | £                    | £                      |
| Employees           | 131,685             | 130,320              | 1,365                  |
| Supplies & Services | 515                 | -                    | 515                    |
| Income              | 0                   | 0                    | 0                      |
| <b>TOTAL</b>        | <b>132,200</b>      | <b>130,320</b>       | <b>1,880</b>           |

**One Legal**

|                           | <b>Full Year<br/>Budget</b> | <b>Projected<br/>Outturn</b> | <b>Savings /<br/>(Deficit)</b> |    |
|---------------------------|-----------------------------|------------------------------|--------------------------------|----|
|                           | <b>£</b>                    | <b>£</b>                     | <b>£</b>                       |    |
| Employees                 | 2,583,504                   | 2,029,314                    | 554,190                        | 18 |
| Transport                 | 3,000                       | 1,237                        | 1,763                          |    |
| Supplies & Services       | 118,820                     | 115,464                      | 3,356                          |    |
| Payments to Third Parties | 21,371                      | 16,239                       | 5,132                          |    |
| Central Recharges         | 29,929                      | 29,929                       | 0                              |    |
| Income                    | <b>(2,471,587)</b>          | <b>(1,954,950)</b>           | <b>(516,637)</b>               | 19 |
| <b>TOTAL</b>              | <b>285,037</b>              | <b>237,233</b>               | <b>47,804</b>                  |    |

18) The favourable variance of £554k relates to various vacant posts across One Legal, the main contributors being: 2 Principal Lawyer posts, PPDM, 3 Senior Lawyer and 2 Lawyer posts. Agency staff are being utilised where possible to meet the work requirements.

19) 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 Q1 is below the budget.