

# Appendix 2 - Quarter 3 budget report

## Chief Executive

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £
Employees	275,714	275,596	118
Premises	0	0	0
Transport	0	0	0
Supplies & Services	8,160	5,511	2,649
Payments to Third Parties	0	133	(133)
Income	0	0	0
<b>TOTAL</b>	<b>283,874</b>	<b>281,240</b>	<b>2,634</b>

## Community Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	1,473,469	1,523,686	(50,217)	1
Transport	900	397.11	503	
Supplies & Services	130,703	130,990	(287)	
Payments to Third Parties	5,674,721	5,962,603	(287,882)	2
COMF Funding	0	1,753	(1,753)	
COVID-19 Recovery	0	(4,917)	4,917	
Ringfenced Projects and Funding	0	(13,135)	13,135	3
Income	(2,449,356)	(2,658,722)	209,366	4
<b>TOTAL</b>	<b>4,830,437</b>	<b>4,942,654</b>	<b>(112,217)</b>	

1) Adverse variance is mainly due to the following:

- £69k for extending the contract of licensing officers, who were previously funded from reserves. This expenditure will be funded from the projected increase of licensing income.
- £29k saving due to the licensing & systems officer working reduced hours.
- £32k favourable variance due to 2 employees currently on maternity leave, this saving has been offset from using agency contractors to cover these posts temporarily.

2) Adverse variance is largely due to the following:

- Ubico are projecting a £99.5k overspend within diesel costs. They are also estimating an increase within employment costs of £177k, £152k was due to the annual pay award.
- It was brought to light last year that Cheltenham Borough Council have significantly undercharged us for our share of the Swindon Road Depot, they have estimated annual running costs to be around £150k per annum which we are liable for with immediate effect.
- £37k of repairs to the bulking shed floor at Swindon Road Depot.
- It is anticipated that our emergency accommodation costs will be £44k over budget by the end of this financial year, approximately 85% of these costs will be recovered, this is shown within income.
- £21k projected for an external contractor to carry out food inspections whilst employee is on maternity leave.
- There is a favourable variance of £244k within the MRF gate fee, this 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 £38 per tonne this quarter.

3) Homes for Ukraine, Asylum Seekers Scheme for small boat migrants and Homelessness prevention grant.

4) Increase in income is due the following:

- Projected licensing income is £141k above budget.
- Due to the increase in emergency accommodation costs the amount to be recovered also increases, this is anticipated to be £40k greater than budget.
- Additional garden waste income of £14k
- Recycling credits is expected to be £12k under budget based on year to date actuals.
- A large civil penalty notice was issued this year resulting in additional income of £13k.
- Some grounds maintenance equipment was disposed, sale proceeds were below the capital receipt de minimis therefore we were able to recognise the £14k income.

## Corporate Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,531,323	2,460,431	70,892	5
Transport	0	17	(17)	
Supplies & Services	674,122	591,804	82,318	6
Payments to Third Parties	148,800	74,224	74,576	7
Transfer Payments - Benefits Service	9,000,000	9,131,880	(131,880)	8
COVID-19 Costs	0	(5,714)	5,714	
Income	(9,488,464)	(9,556,860)	68,396	9
<b>TOTAL</b>	<b>2,865,781</b>	<b>2,695,782</b>	<b>169,999</b>	

5) Revenues & Benefit have a total projected saving of £23k on salaries. There have been a number of vacant posts throughout the financial year. Some of this has been offset with agency staff. However, some vacant posts are not being appointed to until the completion of a service review.

There are currently two vacant apprentice posts in establishment. HR are in touch with services areas in order to fill these vacancies. IT have savings on two posts. Firstly, the Lead Cyber Security and Network post could not be appointed to until October 2022, giving a saving of £22k. There will be a £12k saving of the vacant helpdesk operator post which will be used to support the funding of a proposed growth item i.e. cyber trainee.

6) ICT are expected to make considerable savings in equipment and licensing, £52k and £16.5k respectively. Some equipment has been purchased at a lower cost than expected and some purchasing of equipment has been transferred to the next financial year. Many of the licences are in current contracts, this has resulted in prices being stable with minimal inflationary increases, as budgeted for.

7) £50k of this saving relates to an awarded growth bid for Business Transformation and Programme Board. It is hoped that this can be carried forward to the 2023/24 financial year. Projects approved by programme board have not required additional resource to support their delivery.

There will be a saving of over £10k for court costs relating to Council Tax summons. These costs are lower than they have been historically and more is being recovered. This has been reflected in the budget setting for 2023/24.

8) Awarded housing benefit is higher than expected. The grant received from Central Government will also increase, but not in line with expenditure. We budgeted for a net cost of £90k but based on the mid-year estimate our net cost will be £221k.

9) Revenues and Benefits have received a significant amount of New burdens to help fund the costs of changes in legislation and additional services. For example, we've had £16k for welfare and support changes and £14k for IT costs relating to data sharing.

### Democratic Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	303,842	269,167	34,675	10
Premises	0	280	(280)	
Transport	9,600	5,543	4,057	
Supplies & Services	507,445	488,143	19,302	11
Payments to Third Parties	34,000	11,545	22,455	12
Income	(2,500)	(1,141)	(1,359)	
<b>TOTAL</b>	<b>852,387</b>	<b>773,537</b>	<b>78,850</b>	

10) A full time vacant post gives a saving of £44k plus 13 hours saving in another post gives ca. £10k. This is offset by some overtime needed to deal with the boundary review changes and canvassers costs.

11) Savings on Civic Functions, Democratic costs and various materials and provisions budgets

12) Canvassers budget in here but costs (£10k) in Employees

## Development Services

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,124,375	2,081,790	42,585	13
Premises	53,476	43,147	10,330	14
Transport	0	826	(826)	
Supplies & Services	204,629	234,393	(29,764)	15
Payments to Third Parties	267,795	271,240	(3,445)	
COVID-19 Costs	0	0	0	
Ringfenced Projects and Funding	60,000	60,000	0	
Income	(1,336,895)	(1,845,124)	508,229	16
<b>TOTAL</b>	<b>1,373,380</b>	<b>846,272</b>	<b>527,108</b>	

13) Positive variance is due to;

- £36k for the position of Community Grants Officer, which is fully funded by an external grant
- £6k projected savings on salaries and overtime budgeted for the Tourism Information Centres

14) Savings on rent; £4k Winchcombe Tourist Centre and £6k on Cotswold Market Ltd

15) Adverse variance is largely due to the following:

- £13k increase of cost for software annual renewals
- £13k overspend on advertising of vacant positions within Planning and Planning Policy
- £10k computer equipment purchased for the Oracle launch
- £3.5k savings on books and publications

16) Favourable variance is due to the following:

- £25k projected CIL administrative income
- £30k Land Registry funding for Migration Project
- £12k Neighbourhood Plan Funding surplus
- £315k planning income, £200k of this is estimated income for one large application.
- £57k PPA Fees
- £5k additional income for Street Naming and Numbering
- £128k Expected receipt of Shared Prosperity Funding
- Projected income deficit of £20k for both Tourism information Centres, £40k for Pre-planning applications and £6k Market Car Park

## Finance and Asset Management

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	2,323,828	2,319,344	4,484	
Premises	560,322	569,269	(8,947)	
Transport	48,060	33,453	14,607	17
Supplies & Services	574,067	550,308	23,759	18
Payments to Third Parties	373,798	375,987	(2,189)	
Drainage Board Levy	6,500	7,837	(1,337)	
COVID-19 Costs	0	0	0	
Income	(1,385,652)	(1,342,655)	(42,997)	19
<b>TOTAL</b>	<b>2,500,923</b>	<b>2,513,544</b>	<b>(12,621)</b>	

17) Savings due to use of four pool cars when budgeted for five.

18) Savings of £29k on PDQ charges and £7.8k on Treasury Mgmt fees, £4k Annual Computer Renewals

Additional costs are estimated in the following areas:

£5k Audit Fees, £10.5k Office Equipment (new chairs), £3.7k Car Park PDQ charges

19) Favourable variances: Car Park Income £13.5k, Cemeteries £17.8k, Energy FIT £7k,

Adverse Variances: Rents £80k (Depot £9.3k, Golf Club £4.3k, Homeless Properties £8.8k, Council Offices £60k)

## Garden Communities

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	0	0	0	
Premises	0	0	0	
Transport	0	0	0	
Supplies & Services	0	0	0	
Payments to Third Parties	0	0	0	
COVID-19 Costs	0	0	0	
Ringfenced Projects and Funding	0	418,955	(418,955)	
Income	0	0	0	
Reserve Funding	0	(418,955)	418,955	
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## Corporate Director

	Full Year Budget £	Projected Outturn £	Savings / (Deficit) £	
Employees	131,685	130,826	859	

Supplies & Services	515	99	416
Income	0	0	0
	<b>132,200</b>	<b>130,924</b>	<b>1,276</b>

<b>One Legal</b>	<b>Full Year Budget £</b>	<b>Projected Outturn £</b>	<b>Savings / (Deficit) £</b>	
Employees	2,583,504	2,046,070	537,434	20
Transport	3,000	1,420	1,580	
Supplies & Services	118,820	83,796	35,024	21
Payments to Third Parties	21,371	11,410	9,961	
Central Recharges	29,929	29,929	0	
Income	<b>(2,471,587)</b>	<b>(1,892,776)</b>	<b>(578,811)</b>	22
<b>TOTAL</b>	<b>285,037</b>	<b>279,850</b>	<b>5,187</b>	

20) The favourable variance of £537k relates to 14.65 FTE vacant posts across One Legal:

Principal Lawyer (Grade K),  
 PPDM (Grade I),  
 3 Senior Lawyers (Grade I)  
 4 Lawyer posts (Grade H),  
 2 Paralegals (Grade D) ,  
 2 Senior Legal Assistants (Grade G),  
 Admin Assistant (Grade C),  
 Trainee Solicitor (Grade C),  
 System Support Officer (Grade E)

Agency staff are being utilised where possible to meet the work requirements, estimated cost at year end is £230k. One Legal Manpower structure has been reviewed to address the recruitment issues and to retain staff, coming into effect on the 1st April 2023. This is all still within the budget envelope.

21) Savings:

- £27k on Computer annual renewals due to charge deferral from Civica as a goodwill gesture for issues with the implementation of the system.
- £4k on printing costs
- £4k on books and publications

22) Difficulties recruiting staff have had an impact on the ability to achieve the income targets as has increase in s101 work absorbing capacity. As a result, the actual income for 2022-23 is predicted to be below the budget.