

Appendix 6 - Resources & Corporate Services

Lead Members:

- Economic Development, Planning & Assets: Cllr Ros Wyke
- Resources & Performance: Cllr Liz Leyshon
- Transport & Digital: Cllr Richard Wilkins

Executive Director: Jason Vaughan

Service Directors:

- Finance & Procurement: Nicola Hix
- Strategic Asset Management: Ollie Woodhams
- Information, Communication, Technology: Andy Kennell

Table 1: 2023/24 Resources & Corporate Services as at the end of January 2024 (Month 10)

2023/24 net budget £23.6m, projected favourable variance of £2.4m, no movement from month nine.

Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 10 Variance £m	A/(F)	RAG Status	Movement From Month 9 £m
Finance & Procurement								
Finance	11.3	(2.4)	8.9	8.8	(0.1)	(F)	Green	0.3
Procurement	9.9	(8.0)	1.9	1.8	(0.1)	(F)	Green	0.1
Revenues	9.0	(6.1)	2.9	2.5	(0.4)	(F)	Green	(0.1)
Housing Benefits	88.6	(87.6)	1.0	0.8	(0.2)	(F)	Green	0.0
sub total	118.8	(104.1)	14.7	13.9	(0.8)	(F)	Green	0.3
Strategic Asset Management								
Property Services	18.6	(7.4)	11.2	11.2	0.0	-	Green	(0.1)
Commercial Investment Properties	1.0	(21.4)	(20.4)	(20.4)	0.0	-	Green	0.0
sub total	19.6	(28.8)	(9.2)	(9.2)	0.0	-	Green	(0.1)
Information Communication Technology								
Information Communication Technology	0.0	0.0	0.0	0.0	0.0	-	Green	0.0
Hardware & Software	10.1	0.0	10.1	9.1	(1.0)	(F)	Green	(0.3)
ICT General	9.5	(2.5)	7.0	6.4	(0.6)	(F)	Green	0.4
ICT Traded	0.5	(0.4)	0.1	0.1	0.0	-	Green	(0.1)
Telecommunications	0.9	0.0	0.9	0.9	0.0	-	Green	(0.2)
sub total	21.0	(2.9)	18.1	16.5	(1.6)	(F)	Green	(0.2)
Resources & Corporate Services Total	159.4	(135.8)	23.6	21.2	(2.4)	(F)	Green	0.0

Resources & Corporate Services – key explanations, actions & mitigating controls

Finance

Several vacant posts across Finance and Procurement services have resulted in an underspend on employee budgets. This saving has been part offset by agency costs

and an increase in audit fees, accounting for the adverse movement from month nine.

Within Revenues and Housing Benefits there has been additional spend on temporary staff due to service pressures. This additional cost has been offset by income from Government grants and additional court fee income, resulting in an overall underspend for these two services of £0.6m.

Strategic Asset Management

The service is holding many vacancies which has resulted in a forecast underspend on employee budgets.

There is a forecast reduction in energy costs across the estate due to improved pricing, energy efficiency measures and investment in decarbonisation projects.

Vacant property running costs are forecast to be higher than budgeted as the service is taking on larger complex sites and properties are vacant for longer periods due to ongoing phosphates issues delaying planning. The service will capitalise costs at constructions sites where possible and focus on progressing disposals as soon as phosphate mitigation solutions allow.

Tenancy changes at various properties has resulted in an anticipated shortfall of income in respect of rent receivable. The service continues to actively seek new tenants for void units.

Various other overspends anticipated on several budgets lines, including rates payable on void properties and an aborted capital scheme meaning income target not met.

Additional costs of surveying for Reinforced Autoclave Aerated Concrete (RAAC) are estimated to be around £0.3m and these unexpected costs have been funded from the Corporate Contingency budget.

Within Commercial Investment Properties it is anticipated that the income target in respect of the dividend payable from one of the Council's partly owned trading companies will not be achieved (£1.7m). Work is being undertaken to understand the factors and risks that are contributing to the non-payment of the dividend. There are adverse variances expected in respect of the rental income budgets (£1.2m), this is due to unexpected voids. The variance against the budget will be funded from the Commercial Investment risk reserve.

Information Communication Technology

Additional costs have been incurred in respect of the Office365 backup costs. The cost in respect of consolidating into a single electronic payments system will be more than anticipated and the work on data centre consolidation is not achievable in this financial year meaning the budget will be exceeded. The additional costs have been offset by an underspend on employee budgets due to number of vacant posts and expenditure on several software licences and contracts being less than anticipated resulting in an underspend on the associated budget.