

Appendix 6 - Resources & Corporate Services

Lead Members:

- Economic Development, Planning & Assets: Cllr Ros Wyke
- Resources and Performance: Cllr Liz Leyshon
- Transport and Digital: Cllr Mike Rigby

Executive Director: Jason Vaughan

Service Directors:

- Finance and 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 October 2023 (Month 7)

2023/24 net budget £21.0m, projected favourable variance of £2.8m, a favourable movement of £0.6m from month six.

| Service Area | Current Budget £m | Full Year Projection £m | Month 7 Variance £m | A/(F) | RAG Status | Movement From Month 6 £m |
|---|----------------------|----------------------------|------------------------|------------|--------------|-----------------------------|
| Finance | | | | | | |
| Finance | 8.2 | 7.5 | (0.7) | (F) | Green | 0.0 |
| Procurement | 1.8 | 1.7 | (0.1) | (F) | Green | 0.0 |
| Revenues | 2.1 | 2.1 | 0.0 | - | Green | 0.5 |
| Housing Benefits | 1.1 | 0.5 | (0.6) | (F) | Green | (0.5) |
| sub total | 13.2 | 11.8 | (1.4) | (F) | Green | 0.0 |
| Strategic Asset Management | | | | | | |
| Property Services | 11.1 | 11.2 | 0.1 | A | Amber | (0.3) |
| Commercial Investment Properties | (20.6) | (20.6) | 0.0 | - | Green | 0.0 |
| sub total | (9.5) | (9.4) | 0.1 | A | Amber | (0.3) |
| Information Communication Technology | | | | | | |
| Information Communication Technology | 0.0 | 0.0 | 0.0 | - | Green | 0.0 |
| Hardware & Software | 10.1 | 9.4 | (0.7) | (F) | Green | 0.0 |
| ICT General | 6.3 | 5.3 | (1.0) | (F) | Green | (0.3) |
| ICT Traded | 0.0 | 0.1 | 0.1 | A | Red | 0.0 |
| Telecommunications | 0.9 | 1.0 | 0.1 | A | Red | 0.0 |
| sub total | 17.3 | 15.8 | (1.5) | (F) | Green | (0.3) |
| Resources & Corporate Services Total | 21.0 | 18.2 | (2.8) | (F) | Green | (0.6) |

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

Finance

- Several vacant posts across the Finance and Procurement services have resulted in an underspend on employee budgets.
- 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 underspends on court costs, resulting in an overall underspend of £0.7m.

Strategic Asset Management

- The service is holding a large number of 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.
- Tenancy changes at various properties has resulted in an anticipated shortfall of income in respect of rent receivable.
- 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 (£1.6m), 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 being less than anticipated resulting in an underspend on the associated budget.