

Appendix 6 - Resources & Corporate Services

Lead Members:

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

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 December 2023 (Month 9)

2023/24 net budget £23.3m, projected favourable variance of £2.4m, an adverse movement of £0.4m from month seven.

Service Area	Current Expenditure Budget	Current Income Budget	Current Net Budget	Full Year Projection	Month 9 Variance	A/(F)	RAG Status	Movement From Month 7
	£m	£m	£m	£m	£m			£m
Finance & Procurement								
Finance	11.3	(2.4)	8.9	8.5	(0.4)	(F)	Green	0.3
Procurement	9.9	(8.0)	1.9	1.7	(0.2)	(F)	Green	(0.1)
Revenues	9.0	(6.1)	2.9	2.6	(0.3)	(F)	Green	(0.3)
Housing Benefits	88.6	(87.6)	1.0	0.8	(0.2)	(F)	Green	0.4
sub total	118.8	(104.1)	14.7	13.6	(1.1)	(F)	Green	0.3
Strategic Asset Management								
Property Services	18.4	(7.2)	11.2	11.3	0.1	A	Red	0.0
Commercial Investment Properties	1.0	(21.6)	(20.6)	(20.6)	0.0	-	Green	0.0
sub total	19.4	(28.8)	(9.4)	(9.3)	0.1	A	Amber	0.0
Information Communication Technology								
Information Communication Technology	0.0	0.0	0.0	0.0	0.0	-	Green	0.0
Hardware & Software	10.2	0.0	10.2	9.5	(0.7)	(F)	Green	0.0
ICT General	9.3	(2.5)	6.8	5.8	(1.0)	(F)	Green	0.0
ICT Traded	0.5	(0.4)	0.1	0.2	0.1	A	Red	0.0
Telecommunications	0.9	0.0	0.9	1.1	0.2	A	Red	0.1
sub total	20.9	(2.9)	18.0	16.6	(1.4)	(F)	Green	0.1
Resources & Corporate Services Total	159.1	(135.8)	23.3	20.9	(2.4)	(F)	Green	0.4

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 7.

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 of £0.5m. Reductions in court cases raised and an increase in doubtful debt has led to the adverse movement from Month 7.

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.

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 and contracts being less than anticipated resulting in an underspend on the associated budget.