

## **Appendix G - Resources & Corporate Services**

### Lead Members:

- Economic Development, Planning & Assets: Cllr Mike Rigby
- Finance, Procurement and Performance: Cllr Liz Leyshon
- Transport and Waste Services: Cllr Richard Wilkins

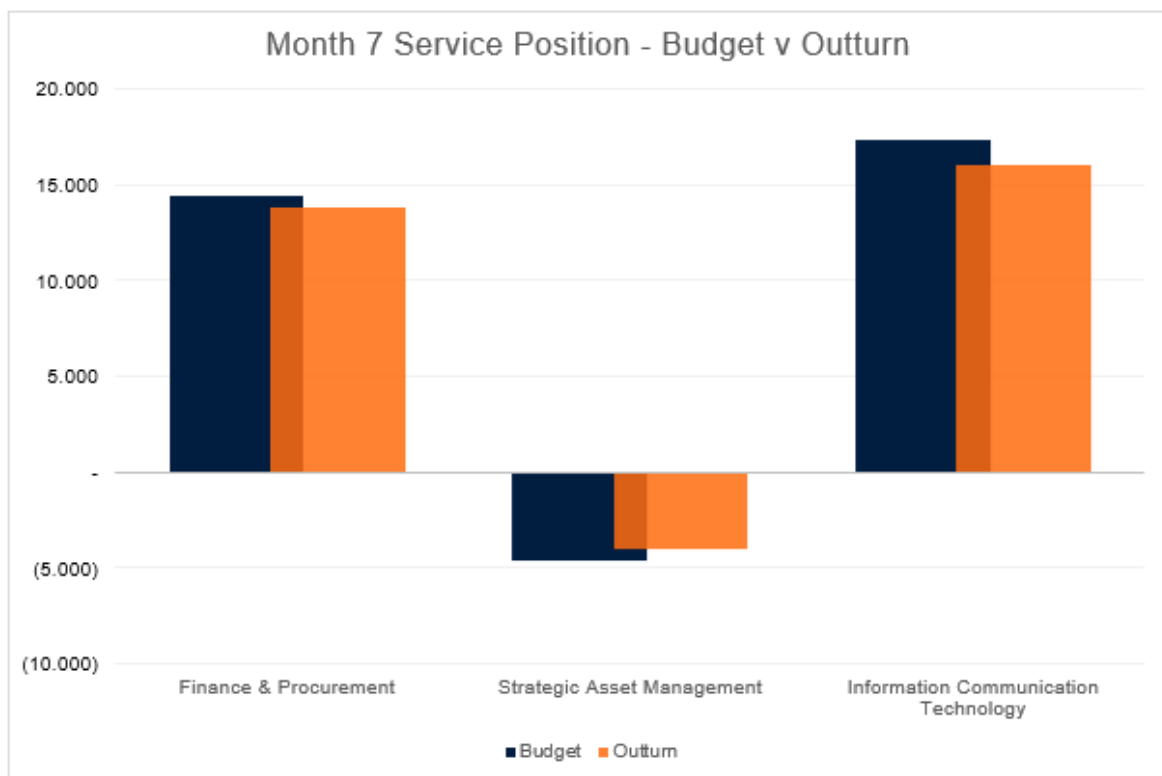
### Executive Directors:

- Maria G Christofi, Interim Chief Finance Officer (Section 151 Officer)
- Alyn Jones (Strategic Asset Management and Information, Communication, Technology)

### Service Directors:

- Finance & Procurement: Nicola Hix
- Strategic Asset Management: Simon Lewis (Interim Head of Property)
- Information, Communication, Technology: Andy Kennell

**Chart 1: Budget versus forecast outturn graph**



**Table 1: 2024/25 Resources & Corporate Services as at the end of October 2024 (Month 7)**

- 2024/25 net budget £27.075m, forecasting an underspend of £1.328m, a decrease of £0.572m from Quarter 2
- 2023/24 net budget £23.6m, Outturn underspend of £2.3m.

Service Area	Current Expenditure Budget £m	Current Income Budget £m	Current Net Budget £m	Full Year Projection £m	Month 7 Variance £m	Overspend / (Underspend)	RAG Status	Ongoing Pressure £m	One-off Pressures £m	Movement From Month 6 £m
<b>Finance &amp; Procurement</b>										
Finance	11.159	(2.238)	8.921	9.720	0.799	Overspend	Red	0.483	0.601	0.224
Procurement	14.564	(12.278)	2.286	1.519	(0.767)	Underspend	Green	-	-	(0.192)
Revenues	5.019	(2.522)	2.497	2.263	(0.234)	Underspend	Green	-	-	(0.132)
Housing Benefits	89.733	(89.050)	0.683	0.257	(0.426)	Underspend	Green	-	-	(0.048)
<b>sub total</b>	<b>120.475</b>	<b>(106.088)</b>	<b>14.387</b>	<b>13.759</b>	<b>(0.628)</b>	<b>Underspend</b>	<b>Green</b>	<b>0.483</b>	<b>0.601</b>	<b>(0.148)</b>
<b>Strategic Asset Management</b>										
Property Services	18.529	(7.802)	10.727	10.469	(0.258)	Underspend	Green	-	-	(0.157)
Commercial Investment Properties	0.962	(16.359)	(15.397)	(14.537)	0.860	Underachievement	Red	-	0.860	0.860
<b>sub total</b>	<b>19.491</b>	<b>(24.161)</b>	<b>(4.670)</b>	<b>(4.068)</b>	<b>0.602</b>	<b>Underachievement</b>	<b>Red</b>	<b>-</b>	<b>0.860</b>	<b>0.703</b>
<b>Information Communication Technology</b>										
Hardware & Software	9.679	(0.003)	9.676	9.083	(0.593)	Underspend	Green	-	-	0.270
ICT General	9.263	(2.521)	6.742	5.822	(0.920)	Underspend	Green	0.073	-	(0.222)
ICT Traded	0.496	(0.367)	0.129	0.318	0.189	Overspend	Red	0.095	0.094	0.126
Telecommunications	0.811	-	0.811	0.833	0.022	Overspend	Amber	-	0.022	(0.157)
<b>sub total</b>	<b>20.249</b>	<b>(2.891)</b>	<b>17.358</b>	<b>16.056</b>	<b>(1.302)</b>	<b>Underspend</b>	<b>Green</b>	<b>0.168</b>	<b>0.116</b>	<b>0.017</b>
<b>Resources &amp; Corporate Services Total</b>	<b>160.215</b>	<b>(133.140)</b>	<b>27.075</b>	<b>25.747</b>	<b>(1.328)</b>	<b>Underspend</b>	<b>Green</b>	<b>0.651</b>	<b>1.577</b>	<b>0.572</b>

## Resources & Corporate Services – Key explanations of variances

The forecast outturn reported for Resources & Corporate Services takes into account the position on MTFP Savings as disclosed in Appendix J.

### Finance & Procurement

**Finance & Procurement**, excluding Revenues and Housing Benefits are forecasting an overspend of £0.032m, an increase of £0.032m from Quarter 2. This is due to essential staff posts being filled for the remainder of 2024/25. Ongoing pressures have arisen regarding the internal income budgets not yet achieved (£0.209m), reduced Investment Team income (£0.050m), reduced Finance Business Partners' income from Connecting Devon & Somerset (£0.068m) and reduced income from the Customer Access project (£0.156m). There is also a one-off pressure for prior year statement of accounts audits (£0.601m). These pressures have been offset in part by the full year impact of holding staff vacancies (£0.307m). This overspend is also being mitigated by a forecast underspend in Procurement of £0.767m which is due to savings on the Mendip 5 Council contract due to a decrease in the services being delivered (£0.415m) and holding staff vacancies (£0.349m) in the Commercial & Procurement Team.

**Revenues & Benefits** are forecasting an underspend of £0.660m, an increase of £0.180m from Quarter 2. This is due to the recognition of the full-year effect of staff vacancies and the result of an increase regarding the court costs recoupment budget (£0.308m), holding staff vacancies (£0.172m) and reduced Mendip 5 Council contract recharges (£0.180m).

### Strategic Asset Management

**Property Services** is forecasting an underspend of £0.258m, an increase of £0.157m from Quarter 2. This is due to a forecast reduction in project costs for the re-modelling works in B Block, County Hall, following the Taunton office accommodation review.

The service is holding several vacancies, resulting in employee budget savings and income forecast to be higher than budgeted due to property rationalisation, and the

resultant income from partners. These savings are being part offset by one-off property holding costs and a forecast pressure in post and scanning.

**Commercial Investment Properties** is forecasting an overspend of £0.860m, an increase of £0.860m from Quarter 2. This relates to a change in principle where in previous months this overspend was being offset against the Investment Risk Reserve, whereas we will now look to offset this overspend against underspends from other services within Resources & Corporate Services.

The overspend of £0.860m relates to required landlord repairs to two properties of £0.200m, cost of sales of five properties to date of £0.155m, recharge of officer time of £0.305m and income loss on voids at Northgate Yard of £0.200m.

### Information Communication Technology

Information Communication Technology is forecasting an underspend of £1.302m, a decrease of £0.017m from Quarter 2. The underspend arises from negotiated contractual cost decreases in Microsoft and other contracts (£0.593m) and holding staff vacancies (£0.920m). This is offset in part by ongoing pressures of income budgets not yet achieved due to the withdrawal of both the Education Core Offer (£0.064m – full year impact of £0.095m) and the external contract with Tameside BC (£0.073m).

### **Resources & Corporate Services – Actions and mitigations**

**Table 2: Service Management Actions included in the forecast outturn**

<b>Service Management Actions</b>	<b>Quarter 2</b>	<b>Month 7</b>	<b>Movement</b>	<b>Comments</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	
None	-	-	-	
<b>Total Management Actions</b>	-	-	-	

**Table 3: Mitigating Actions Identified, not yet included in the forecast outturn**

<b>In-Year Mitigation Proposed</b>	<b>Quarter 2</b>	<b>Month 7</b>	<b>Movement</b>	<b>One-Off Mitigation</b>	<b>Ongoing Mitigation</b>	<b>Comments</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	
<b>To be Mitigated</b>	<b>0.000</b>	<b>0.602</b>	<b>0.602</b>			<b>Overspend in Commercial Investment Properties</b>

<b>In-Year Mitigation Proposed</b>	<b>Quarter 2 £m</b>	<b>Month 7 £m</b>	<b>Movement £m</b>	<b>One-Off Mitigation £m</b>	<b>Ongoing Mitigation £m</b>	<b>Comments</b>
Information Communication Technology	-	(0.602)	(0.602)	(0.602)	-	Reported underspends within Information Communication Technology are being held to fund the overspend in Investment Properties.
<b>Total Mitigations Identified to be Actioned</b>	-	<b>(0.602)</b>	<b>(0.602)</b>	<b>(0.602)</b>	-	
<b>Still to be Mitigated</b>	-	-	-			

### **Resources & Corporate Services - Key risks, future issues & opportunities**

As mentioned above there are ongoing pressures in Finance of £0.483m from income budgets that have not yet been achieved. The service will mitigate this ongoing pressure by offsetting this against ongoing savings from the Capita 5C contract within service from 2025/26 onwards.

There are also ongoing pressures in ICT of £0.168m. ICT is planning to mitigate this ongoing pressure by offsetting this against ongoing savings within service from 2025/26 onwards.