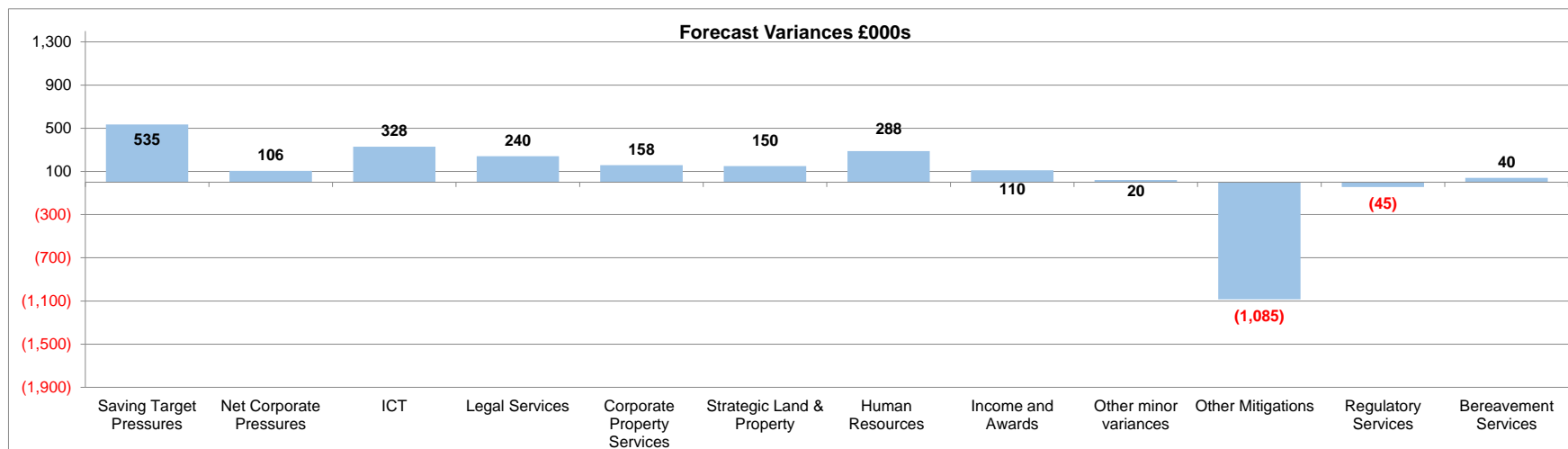


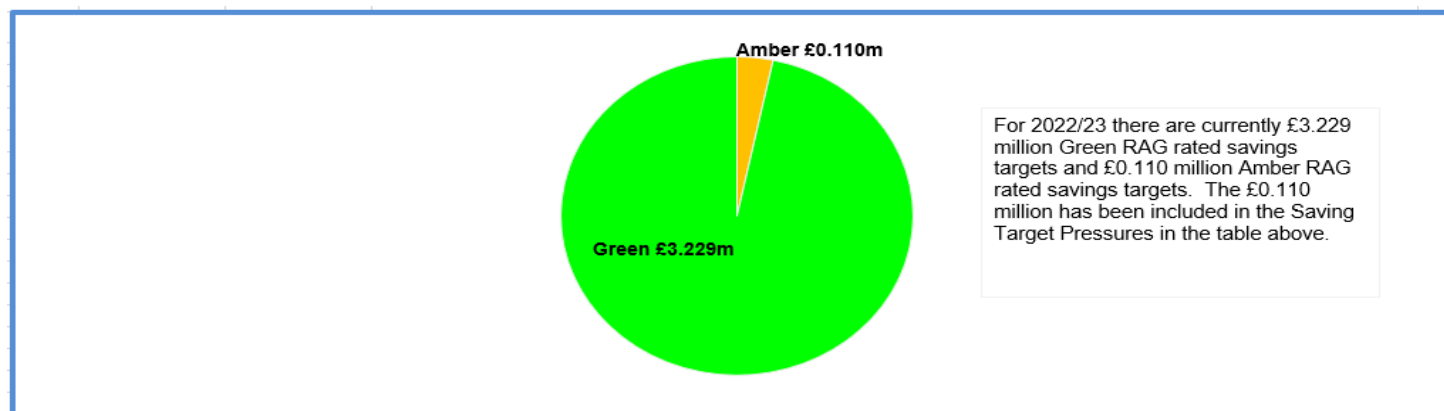
Resources Cabinet Portfolio
Financial Monitoring Position 31st December 2022 (P09)

2022/23 Revenue Position

Current Forecast - £0.005 million favourable variance against a budget of £19.410m

**Explanations for Significant Revenue Variances**

Risk Area	Variance £000s	Comments
Saving Target Pressures	535	Saving target pressures to be met within the Resources directorate. <ul style="list-style-type: none"> +£425,000 of these savings, including the Corporate Landlord +£200,000 and the new social care information system +£150,000, were met temporarily in 2021/22. 2022/23 savings targets pressures include Workforce Planning +£75,000 and Income and Award savings +£35,000.
Net Corporate Pressures	106	+£437,000 Pressures to be met within the Resources directorate. This is offset by (£120,000) release of reserves no longer required, (£127,000) higher recharges than expected, and (£84,000) uncommitted remaining budget set aside for the Pay Award.
ICT	328	Due to additional demands required to support service areas and increasing licenses, technology and support costs. This has been compounded by the weakening of the pound and adverse exchange rate movements.
Legal Services	240	Agency staff backfilling posts in the establishment and significant additional work from Childrens Services
Corporate Property Services	158	Corporate Property Services due to increasing utility costs +£315,000 offset by payroll savings from recruitment delays of (£157,000);
Strategic Land & Property	150	Mainly due to the ongoing rental income pressure against Touchwood.
Human Resources	288	Staffing pressures and loss of income from traded services (e.g. schools buying payroll).
Income and Awards	110	Mainly due to staffing pressures and the extension of contract with Age UK for provision of benefit and debt advice.
Other minor variances	20	Total of other net minor variances.
Resources Directorate Gross Forecast Overspend	1,935	
Treasury Management	(850)	Savings from a review of financing arrangements across the Council's Debt portfolio.
Other Mitigations	(1,085)	The Directorate will look to identify remaining mitigations to offset the pressures identified within the Resources Directorate.
Regulatory Services	(45)	Favourable variances in income due to faster recovery in demand for Vehicle Licensing than assumed at the start of the year and salaries due to vacant posts.
Bereavement Services	40	Pressure on income due to reduced activity on burials, utilities cost inflation above the budgeted level and loss of income whilst the cremator at Woodlands is replaced, partly offset by funding allowed for expansion at Woodlands which will not happen in the current year.
Total	(5)	

2022/23 Savings**2022/23 Capital Position**

	Approved Budget £000s	Forecast Outturn £000s	Forecast Variance £000s	Comments
Facilities and Asset Management				
Property Services Programme	2,268	1,958	(310)	Works relating to Knowle Library now unlikely to proceed until 2023/24.
Strategic Land & Property	1,971	1,557	(414)	Match funding bids to be submitted during 23/24 (£60k). Mell Square favourable variance (£412k) will be rephased to 23/24.
Corporate ICT				
ICT Agile, Infrastructure & Projects	2,485	2,412	(73)	Unallocated funds required for 23/24 projects.
ICT Social Care System	471	343	(128)	Unallocated funds from project expected to be utilised in 23/24.
ICT Oracle Cloud	3,290	3,290	-	An overspend will occur as the project goes beyond Dec-22.
Other				
Catering	34	19	(15)	Minor rephasing.
Total	10,519	9,579	(940)	

Risks and Opportunities

Area	Current Forecast Details
Treasury Management	A contribution of £2.000 million from the Treasury Management reserve is budgeted to meet 2022/23 MTFS savings. The current forecast for 2022/23 is a surplus of £2.452million, giving a net contribution to reserves of £0.452 million. The improved position from the previous period is mainly as a result of changes in interest rates.
Business Rates	As part of the MTFS update, there has been a review of the business rates appeals provision which has enabled a significant contribution to be made from the provision. This has resulted in a net forecast surplus for 2022/23 of £4.1m (including windfall). This position has been declared as part of the Council's NNDR1 return to government and is included in the updated MTFS for 2023/24.
Council Tax	The latest forecast for 2022/23 is an in-year surplus of £1.534m, of which the Council's share is £1.315m. This is mainly due to the lower than originally forecast cost of local council tax support and a reduction in the anticipated allowance required for the impairment of doubtful debts. This position was declared on 15th January as part of the overall collection fund position and is included in the updated MTFS for 2023/24.

Reserves

	1st April 2022	Forecast (Contributions)/Use			Forecast Balance at 31st March 2025	Forecast (Contributions)/Use beyond 2024/25	Forecast Remaining Balance
	£'000s	2022/23 £'000s	2023/24 £'000s	2024/25 £'000s			
Service Reserves	(19,031)	885	3,294	(28)	(14,880)	5,704	(9,176)