

Localities⁺

2023/24: Quarter 2 – Revenue Budget

Budget Heading	Annual Budget	Annual Forecast	Forecast Variance	Earmarked Reserve Impact	General Fund Impact	RAG
	£'000	£'000	£'000	£'000	£'000	
Business Enterprise & Community Infrastructure	1,441	1,304	137	(60)	196	GREEN
Community Services	5,233	5,104	129	(104)	233	AMBER
Corporate Services	4,129	4,222	(93)	(94)	1	GREEN
Digital Transformation & Estate Management	1,760	1,874	(115)	(29)	(86)	AMBER
Regulatory Services	845	845	0	0	0	GREEN
Welfare Services	1,296	1,432	(137)	(45)	(91)	AMBER
Total Service Expenditure	14,704	14,782	(78)	(332)	254	GREEN
Enterprise Zone	5,028	5,028	0	0	0	GREEN
Capital Financing and Treasury	(671)	(1,009)	338	238	100	GREEN
Total Expenditure	19,060	18,801	259	(94)	353	GREEN
Enterprise Zone	(5,028)	(5,028)	0	0	0	GREEN
Retained Business Rates & RSG	(5,150)	(7,000)	1,850	1,350	500	GREEN
Council Tax Requirement	(5,361)	(5,386)	25	25	0	GREEN
Services Grant	(90)	(95)	5	5	0	GREEN
New Homes Bonus	(660)	(659)	(1)	(1)	0	GREEN
Collection Fund Smoothing Reserve	(1,000)	(1,000)	0	0	0	GREEN
Total Funding	(17,289)	(19,168)	1,879	1,379	500	GREEN
Surplus/Deficit	1,771	(368)	2,139	1,285	853	GREEN

RED	Not on target and / or the level of risk (of not meeting target) is high and needs urgent remedial action
AMBER	Not fully on target but not significantly off target and / or the level of risk (of not meeting target) is manageable but requires close monitoring
GREEN	On target and / or the risk (of not meeting target) is low and under control



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2023/24 Quarter 2 - Executive Summary

- The total projected position for the Council is a positive variance of £2.139. The main area of variance is within **Total Funding**. Most of this variance relates to additional S31 grants that have been received to cover Business Rates reliefs provided to businesses. This is where the government reimburses local authorities for Business Rates income that they will not receive because the government have granted businesses ‘relief’ (a reduction in their Business Rates bill). An example of this is Small Business Rates Relief where businesses with a rateable value below £12,000 do not have to pay Business Rates. It is estimated that these additional S31 grants will result in additional income of £1.850m, of which £1.350m will be added to the Collection Fund Smoothing Reserve and £0.500m will be added to General Fund reserves.
- Total (net) projected annual **Service Expenditure** at Quarter 2 is £14.782m against an approved budget of £14.704m resulting in an adverse variation of £0.078m before application of Earmarked Reserves. After allocation of Earmarked Reserves, there is a net saving allowing a projected contribution to General Fund Reserves of £0.254m. In addition to service expenditure, current investment income is exceeding budget by £0.338m due to higher than budgeted interest rates. Overall, this generates a projected increase of £0.353m in General Fund Reserves.
- Variations within the £0.353m include:
 - £103k pressures - Estates and Assets - one-off revenue costs associated with Wombourne & 4E redevelopment.
 - £123k surplus - relating to planning income, additional PPA agreements and part year staffing of new posts agreed via RPP.
 - £50k surplus - Localities relating to unspent Consultancy budget.
 - £100k surplus - Investment Income due to higher than budgeted interest rates
 - £170k surplus - Refuse Collection - Inflation added to contract less than budget leading to in-year betterment and delay in purchase of additional vehicle.
- The budget for 2023/24 assumed a deficit (adjusted by contributions from Earmarked Reserves) to be funded from General Fund reserves of £1.770m. The current projection is a £0.853m improvement against budget.
- New Homes Bonus & Services Grant are forecast to be close to budget.



2023/24: Quarter 2 – Digital Transformation & Estate Management

	Annual Budget	Forecast Outturn	Forecast Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	
Community Hub	533	535	(3)	16	(18)	Green
Customer Interaction	364	364	0	0	0	Green
Digital Services	1,950	2,036	(86)	(121)	35	Green
Estates & Assets	(1,087)	(1,061)	(26)	77	(103)	Yellow
Total Digital Technology and Service	1,760	1,874	(115)	(29)	(86)	Green

Revenue Budget	RAG	Comments
Digital Services	Green	Underspend relates to vacancies against establishment. The adverse forecast variation reported relates entirely to planned expenditures which will be fully funded by Earmarked Reserves for the purposes intended.
Estates & Assets	Yellow	Delays to construction projects at 4E and Wombourne have incurred some revenue costs. Reduced revenue income due to sale of Heathmill (£29k) is offset corporately by the benefit of a capital receipt of £425k. Occupancy levels are currently holding but economic challenges may have impact and this area will need to be closely monitored.

Integrated Performance Management

2023/24: Quarter 2– Community Services



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	Annual Budget	Forecast Outturn	Forecast Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	
Baggeridge Country Park	115	130	(15)	0	(15)	Green
Leisure Services	815	913	(98)	(84)	(14)	Yellow
Landscape & Bereavement	(247)	(205)	(43)	0	(43)	Yellow
Street Scene	1,272	1,292	(21)	(21)	0	Green
Recycling	(106)	(241)	135	0	135	Green
Refuse Collection	3,336	3,166	170	0	170	Green
Climate Change	49	49	0	0	0	Green
Total Community Services	5,233	5,104	129	(104)	233	

Revenue Budget	RAG	Comments
Baggeridge Country Park	Green	Variance within employer related costs is due to the pay award and premises variance is largely due to an increase in utility costs.
Leisure Services	Yellow	The cost of the pay award has been greater than the 5% budgeted for Leisure, but the service has mitigated this with vacancies and secondment of staff. Membership numbers are increasing and showing a surplus of £87k, but other income sources such as letting and pool usage (mainly due to closure for maintenance) is down by £105k. Joint Use recharges from schools for use of Leisure Centres have increased but this cost is covered by Earmarked Reserve.
Landscape & Bereavement	Yellow	Crematoria Income (Essington) will be received later than previously budgeted. Pre-purchase burial plots performing well and are currently forecast to offset part of this pressure.
Recycling	Green	Savings of £276k are due to increased income from sale of recycled materials (plastics, papers, etc), bulky waste collections & reduced gate fees. Offset by additional cost reduced recycling credits and bin replacement income £168k
Refuse Collection	Green	Inflation added to contract less than budget leading to in-year betterment. (12% budgeted, actual 9%) and delay in purchase of additional vehicle.



2023/24: Quarter 2 – Corporate Services

	Annual Budget	Forecast Outturn	Forecast Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	
Accountancy & Financial Services	632	652	(20)	(20)	0	
Pay & pensions	592	697	(105)	0	(105)	
Corporate Finance	479	479	0	(19)	19	
Corporate Leadership Team	686	671	15	0	15	
Communications	163	141	22	(29)	51	
Community Safety	98	85	13	13	0	
Elections	360	380	(19)	(19)	0	
Human Resources	439	449	(10)	(20)	10	
Policy	113	113	0	0	0	
Member Support	567	555	12	0	12	
Total Corporate	4,129	4,222	(93)	(94)	1	

Revenue Budget	RAG	Commentary
Pay & Pensions		No significant variations to report – current variation relates to vacancy management adjustment
Corporate Finance		Earmarked Reserve relating to Redmond Fund released to Revenue
Corporate Leadership Team		Saving relates to recruitment gap between S151 officers.

Revenue Budget	RAG	Commentary
Communications		£28k Earmarked R relating to Apprentice posts released to revenue. £20k underspend on Review magazine due to move to digital
Elections		Earmarked Reserve being used to fund additional staffing resources.
Human Resources		£10k RPP saving against training budget, £20k Earmarked Apprentice being used to fund apprentice post
Member Support		Vacancy gap saving.



2023/24: Quarter 2 – Business Enterprise & Community Infrastructure

	Annual Budget	Forecast Outturn	Forecast Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	
Building Control & Land Charge	27	27	0	0	0	
Development Control	255	175	80	(39)	118	
Planning Enforcement	209	227	(18)	(18)	0	
Local Plan	494	490	4	(1)	5	
Economic Development	278	255	23	0	23	
Localities	178	130	48	(2)	50	
UKSPF	0	0	0	0	0	
Total Planning	1,441	1,304	137	(60)	196	

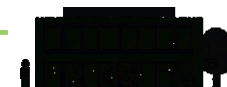
Revenue Budget	RAG	Commentary
Development Control		Current income levels are performing well against budget, however continual monitoring of Planning income is required as economic climate could impact volume of future applications.
Planning Enforcement		Maternity cover and specialist consultancy funded from Earmarked Reserves.
Economic Development		Vacancy gap saving
Localities		Un-committed budget for consultancy costs
UKSPF		No significant variations to report – all spend is fully grant funded



2023/24: Quarter 2 – Regulatory Services

	Annual Budget	Forecast Outturn	Forecast Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	
Emergency Planning	48	48	0	0	0	
Environmental Health	540	540	0	0	0	
Internal Audit	96	96	0	0	0	
Legal Shared Service	161	161	0	0	0	
Total Regulatory Services	845	845	0	0	0	

There are no significant variances to report.



2023/24: Quarter 2 Monitoring– Welfare Services

	Annual Budget	Forecast Outturn	Forecast Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	
Revenue Services	368	347	20	21	(1)	
Benefit Services	741	869	(128)	(48)	(80)	
Homelessness	0	(63)	63	63	0	
Housing Operations	187	279	(92)	(81)	(11)	
Total Welfare Services	1,296	1,432	(137)	(45)	(91)	

Revenue Budget	RAG	Commentary
Benefit Services		The value of housing benefit overpayments has reduced due to the volume of benefit payments reducing as a result of Universal Credit migration and improved data sharing with DWP. This means we will receive less subsidy from central government resulting in a pressure to the budget. However, the overall debt level is reducing each month. We are currently reviewing the cost implications of reduced subsidy for temporary accommodation due to increased homelessness. It is likely that we will incur further costs which we will report at Quarter 3.
Housing Operations		New posts created from vacancies in Revenue and Benefit budgets.



2023/24: Quarter 2 – Capital Budget

Capital Scheme	2023/24 Budget £'000	Spend to date £'000	Commentary	RAG
<u>Corporate Services</u> Commercial Asset Strategy	14,776	899	Budget includes:- <ul style="list-style-type: none"> • Wombourne EP development – completion Spring 24 • Restoration of Unit 4E Four Ashes following fire damage (funded via insurance claim) – completion Spring 24 • Landywood EP decarbonisation improvements – completion Spring 24 • Hub driveway upgrade – Completion Autumn 23 • Contingency for existing projects £250k 	
Itrent Upgrade	20	0	Budget has been assigned to the Itrent HR/Payroll system	
<u>Digital Technology and Service Transformation</u> Digital Technology and Service Transformation	370	13	Budget includes; workstation replacement for Agile working, purchase of Civica licenses and other Digital Services requirements including vSan switches and hosts	
<u>Welfare Services</u> Disabled Facilities Grant	1,935	(78)	Better Care Fund allocations to fund necessary adaptations	
<u>Community Services</u> Street Scene Fleet	166	0	Budget includes; street cleansing vehicle and slippage due to delay on procurement of grounds maintenance vehicle	
Waste Bags	10	0	Budget for purchase of recycling bags as required	

Capital Scheme	2023/24 Budget £'000	Spend to date £'000	Commentary	RAG
Leisure Centre Equipment Renewal Programme	179	159	Budget for replacement of cardiovascular, resistance and indoor cycling equipment. Purchase of equipment at Wombourne Leisure Centre has been made. Purchase of indoor cycles at Penkridge Leisure Centre currently outstanding.	
Leisure Centre Investment Scheme	1,030	(4)	Budget includes; leisure centre investment across all centres. Currently works at Codsall Leisure Centre are outstanding. The spend to date figure allows for retention monies that will become due following a period of review of the works for suitability and quality.	
Leisure Centre Air Conditioning	28	14	Budget is for air conditioning replacement across centres. Within 2022/23, an air conditioning unit was purchased at Wombourne Leisure Centre. Timing of expenditure can be linked to the leisure investment fund works.	
<u>Business Enterprise and Community Infrastructure</u> Regional Housing Board	127	4	South Staffordshire Council contribution to South Staffordshire Warmer Homes project	
S106 Payments – Affordable Housing	0	75	This relates to S106 Lime Tree Road, Bilbrook final tranche 25% £75k (total grant £300k), fully funded from S106 developer contributions	
	18,642	1,083		

Other Notes

Moved financial year as part of MTFS

Refuse Vehicles new contract

2024/25 Budget
£'000

3,046

New contract was due to start 1st April 2025. Hence budget was moved to 2024/25 to allow for any vehicles to be supplied in advance of the contract. Accounting standards dictate that embedded leases (vehicles supplied as part of overall contract) must be capitalised.

Waste Bins

790
3,836

New contract due to start 1.4.25

