

Appendix 4 - Significant Variances

Ref	Over/(under)spend after transfers to/(from) reserves £	SA Code	Service Area	Budget Holder	Explanation
Chief Executive Directorate					
CE1	-90,457	112ICT	Information & Communications Technology (ICT)	Ann Wolstencroft	In the revised 2022/23 budget we included an increased budget for additional Cyber Security costs, due to timing and allocation of resources across our shared service which hasn't all yet materialised into additional costs. In March 2023 Publica reviewed its allocation of infrastructure ICT costs and how they are distributed between each of the partners, the result was a underspend against budget.
Communities and Place Directorate					
CP1	-23,871	213TOWN	Townscape	Jackie Jobes	The underspend is mainly a result of a large flooding grant (£205k) which is held on the cost centre. No conditions remain to be met to recognise the grant and as a result there is a proposal to move to the flooding reserve (RES010) to fund future flood risk management in the area. This has been reflected in Appendix 3 and 6. The residual is due to delays in the delivery of projects and carry forward requests 3 - 7 have been submitted to fund these in 2023/24. This reduces the underspend to £23,871.
CP2	58,636	232LIFE	Lifelines	Chris Morrall	Income in the community alarms costs centre is £36k down against the budget and equipment costs have been impacted by inflation resulting in a £23k overspend. A review of the pricing structures is underway.
CP3	155,886	243PLAN	Planning & Enforcement	Mike Holmes	This is driven by two main factors; 1) Interest rates are high, so homeowners are struggling to borrow to fund development. 2) Construction costs are at an all time high. Cost savings of £23k marginally offset this deficit but the net impact is £118k. Elsewhere on the cost centre there is a budget relating to the Joint Strategic Plan which was unspent in 2022/23 and has been transferred to an earmarked reserve to contribute towards the funding of work in 2023/24 onwards. This is reflected in Appendix 6.
CP4	-71,204	253PSH	Private Sector Housing	Mark Nelson	The underspend against the budget is as a result of income being higher than expected. This has been due to two factors: 1) HMO licenses were 43K up on budget 2) We received income of £32k from the homes for Ukraine scheme in order to provide housing inspections - the vast majority of this work was covered by our in-house team whose costs are already covered within base budget
Finance, Assets & Regeneration Directorate					
FAR1	86,003	311BER	Bereavement Services	Ben Jenkins	There is a number of reasons behind the overspend for this service: 1) Income is down by £49k against the annual target 2) Goods for re-sale expenditure is over budget by £38k due to an increased demand for products. 3) Materials expenditure overspend of £12k due to operational demand and the creation of new memorial areas. 4) Ubico rechargeable works over by £26k as reactive and planned maintenance costs higher than expected. 5) An underspend of £40k on R&M Plant Contracts, and other small overspends in areas such as equipment purchase, tool hire/lease, and other operational materials make up the remaining £25k overspend. In order to offset some of the impact of the reduced income, £25k has been transferred from the Cemetery Income Equalisation Reserve to support the budget in 2022/23. This is reflected in Appendix 6.
FAR2	823	321ELEC	Elections & Electoral Registration	Kim Smith	In May 2022 CBC held Borough elections, this was the first time in a number of years that this wasn't shared with any of the following: County Council, PCC & Central Government. As a result where we would normally share the costs of holding the election, we have to bare the full costs. The overspend has been funded directly by using £57,000 from the elections equalisation reserve which is maintained for this purpose. This is reflected in Appendix 6.
FAR3	234,553	333PROP	Property & Assets	Gemma Bell	The overspend is due to costs exceeding budget in three main areas: 1. Electricity and Gas - although significant additional budget was provided for in the 2022/23 revised budget, a colder and longer than expected low winter temperatures meant that this was exceeded in order to ensure public buildings were heated to a safe level. This accounts for £216k of the overspend. 2. Reactive Repairs at Leisure@ Cheltenham - there were a number of reactive repairs costs which had to be actioned by the property team for health and safety and compliance reasons. In particular: <ul style="list-style-type: none">• £56k on essential H&S expenditure on Fire doors and C2 Electrical remedial works arising from annual testing.• £237k to restore the safety of the plant room as a result of significant flooding from the River Chelt. Appendix 3 and Appendix 6 show £237k of these costs being met by the repairs and maintenance reserve 3. Car Parks – Costs relating to car park repairs were impacted by an 11% increase in the Regent Arcade Car Park Service Charges, £37k of additional costs was associated to Town Centre East Repairs to Vandalism and H&S related maintenance.
FAR4	-117,165	341HOUS	Housing & Communities	Martin Stacy	CBC's homelessness cost centre receives a variable level of grant income each year and the service manager is often notified of this within the current year, which makes it challenging to match service provision with grant income levels. In 2022/23 we received grant funding of £430k but due to the timing of the announcement a lot of the statutory services had to be provided by our in-house team whose costs are already covered by base budget. This has given rise to a significant underspend as the grant could be used to offset base budget spend. The carry forward request of £390k in Appendix 5 means the remaining underspend is £117,165.
FAR5	-223,918	352GOLD	Major Dev and Building Control	Paul Minnis	Major Development underspent against budget (£340k) on professional fees. It should be noted that due to the long term nature of the projects covered by this cost centre, the proposal is to carry this balance forward to fund fees required in future years. This is reflected in carry forward request 13 and 14 in Appendix 5. In addition, salary costs were underspent by £73k were made in the year as a result of carrying four vacancies at different points of the year. A grant of £200k was also received from Government and is designated for specific purposes. An earmarked reserve has been created in Appendix 6 RES030 Major Developments where the transfer is reflected.
FAR6	-75,540	361BRCTAX	Business Rates & Council Tax	Jayne Gilpin	CBC received new burdens funding in 2022/23 for administering various support schemes including the council tax energy rebate. The majority of this underspend relates to the significant grants received, large parts of the additional workload was completed by existing staff already in the budget. this resulted in an underspend for the service. Carry forward request 15 in Appendix 5 is requested in order that the work can continue to be delivered in 2023/24.
FAR7	127,050	362CARP	Car Parking	Jayne Gilpin	Car parking income has now fully recovered post-covid and car parking fees were £87k up vs budget (+2%). However excess parking fees (FPNs) and permit income were down vs budget - causing our total income figure to be £20k under budget. However, costs were significantly over budget, mainly driven by the reasons below: 1) £64k relates to the 2 years worth of Regent arcade insurance (rectified in the 23/24 budget). 2) £51k is overspend on the "fees and charges" account, which is predominantly security cover at Town Centre East car park following the anti-social behaviour issues. 3) £19k overspend on credit card charges, which is a direct result of car par income being over-budget and also the social change of more people paying by card. 4) £16k overspend as a result of higher than budgeted electricity costs. In Appendix 6, a transfer of £50,000 is reflected which is a contribution from the Car Parking Equalisation Reserve to offset some of these one off costs.