

Summary of significant variances – Qtr 1 2024/25

| Budget area | 2024/25 budget £000 | Forecast outturn £000 | Variance £000 | Reason for variance |
|---|---------------------------|-----------------------------|----------------------|--|
| VARIANCE AGAINST BASE OPERATIONAL BUDGETS | | | | |
| NNDR | 1,588 | 1,861 | 273 | National Non Domestic Rates bills for Multistorey car parks and Wallfields are significantly higher than budgeted due to the 2023 Business Rate Revaluation. The property team will engage agents to appeal the revaluation in an attempt to reduce the liability, however there is no guarantee of success. |
| Transformation, staff restructuring costs | 0 | 133 | 133 | Service restructuring under the Transformation programme has resulted in one-off costs of £133k. |
| Planning service – staffing costs & reduced planning income | 2,238 | 2,406 | 168 | <p>Planning is currently forecasting to be £168k overspent at year end. At present this is due to the following:</p> <ul style="list-style-type: none"> - Decrease in planning applications as a result of rising construction costs and overall cost of living crisis which has the effect of reducing actual income against budget income. - Ongoing recruitment difficulties which have meant that the service continues to use consultants to assist with the workload and planning application backlog. |
| BEAM | (548) | (367) | 181 | At BEAM, income projected to be lower than anticipated this year given the phased opening also a lack of a year zero budget which has resulted in higher expenditure. |
| Charringtons House | 0 | 333 | 333 | Charringtons House was closed to tenants on 31 March 2023, the council remains liable for costs in relation to business rates and utilities. |
| Buntingford Depot | 210 | 333 | 123 | A rent review has been undertaken in respect of Buntingford Depot which has resulted in additional costs of £123k. |

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| VARIANCE AGAINST BASE OPERATIONAL BUDGETS | | | | |
| Miscellaneous assets, rent | (329) | (414) | (85) | Rent reviews have been undertaken on council owned assets which has resulted in rental income overachieving the budget. |
| Legal & Democratic Services | 513 | 464 | (49) | Underspend forecast against salary budget of £49k following restructure of Democratic Services team. |
| Housing & Health, salaries | 2,905 | 2,846 | (59) | Underspend on salaries due to vacant posts |
| VARIANCE AGAINST SAVINGS TARGETS | | | | |
| Senior Management Restructure | (250) | (239) | 11 | |
| Avoidable contacts | (24) | 0 | 24 | Savings to be realised following implementation of Corporate Support Hub |
| Wallfields – renting out part of building | (117) | (90) | 27 | Savings built in with assumption of rent received from part way through the year, due to ongoing negotiations this date hasn't been achievable therefore the saving won't be achieved in full in 2024/25 |
| Xeroboxes | (20) | 0 | 20 | Removal of xeroboxes from Wallfields to be implemented following upgrade of wifi |
| Procurement Act 2023 changes | (50) | 0 | 50 | Discussions underway with Stevenage Borough Council |
| Intranet | (28) | 0 | 28 | Work on replacing the hosted intranet underway, saving to be realised in 2025/26 |
| Advertising on Assets | (18) | 0 | 18 | |
| Total | 6,070 | 7,266 | 1,196 | |
| Other minor balances | 15,608 | 15,541 | (67) | |
| Overall total | 21,678 | 22,807 | 1,129 | |