

Appendix A - Significant Revenue Budget Variances in 2024/25

Directorate	Significant Service Area Variances	Net Direct Budget at April 2024	Net Direct Outturn	(Under) / Overspend	Summary Explanation	Relevant Report
Managing Director	Treasury Investments Interest Income	(1,150)	(2,983)	(1,833)	Higher than anticipated interest rates during the year and higher cash balances due to the reprofiling of planned capital investments.	Q1, Q2, Q3 & Outturn 2024/25
	Other budgets with variances under £100k	1,795	1,601	(194)		
	Directorate Total	645	(1,382)	(2,027)		
Customers Directorate	Customers Directorate Staffing Costs	6,523	6,182	(341)	Underspend results from various vacant posts due to difficulty in recruiting temporary and permanent staff in Revenues & Benefits, IT Services, the Customer Service Centre and Careline service.	Q1, Q2, Q3 & Outturn 2024/25
	Contribution to Sales Ledger Bad Debt Provision	10	172	162	Increase in outstanding debt amounts between 3-12 months past their payment due date as recovery was suspended with the transition to the new finance system. Ultimately expected that debt will be recovered at similar levels to previous years	Outturn 2024/25
	Net Housing Benefit expenditure	233	367	134	Reliance on nightly paid units to accommodate homeless households, where the eligible amount of Housing Benefit Subsidy is capped at less than the housing benefit payment, and higher levels of benefit overpayments, eligible for only 40% reimbursement through Housing Benefit subsidy.	Q2 & Outturn 2024/25
	Housing Benefit Overpayments Income - Contribution to bad debt provision	50	232	182	Where working age Housing Benefit clients have migrated to Universal Credit (UC), the Council can no longer collect overpayments debt from deductions to ongoing housing benefit payments.	Outturn 2024/25
	Other budgets with variances under £100k	(2,250)	(2,617)	(367)		
	Directorate Total	4,566	4,336	(230)		
Enterprise Directorate	Churchgate Shopping Centre - net rental income	(440)	(139)	301	Number of vacant units, including several of the larger premises, reducing rent income and increasing associated expenditure with empty property rates payable, plus higher repairs and maintenance spend.	Outturn 2024/25
	Transfer to Churchgate Regeneration Project reserve	216	0	(216)	The level of return in this financial year has meant no additional contribution has been made to the Churchgate Regeneration Project earmarked reserve	Outturn 2024/25
	Other budgets with variances under £100k	359	319	(40)		
	Directorate Total	135	180	45		
Housing & Environmental Health	Environmental Health Apprenticeship	100	0	(100)	Due to staffing pressures within the Environmental Health service, the recruitment process has not yet started. Recruitment will now begin in the new financial year to get an apprentice in place before the start of the new academic year.	Q2 2024/25
	Other budgets with variances under £100k	1,985	1,933	(52)		
	Directorate Total	2,085	1,933	(152)		
Legal & Community Directorate	Directorate Total (all budgets have variances under £100k)	2,694	2,640	(54)		

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Place Directorate	Leisure Centres Management Contract Income	(1,130)	(807)	323	Rebasing of Leisure Centre staffing costs, in advance of the new Leisure contract commencing in April 2024, to capture the actual increase of 9.8% in the National Living Wage from April 2024.	Q1 & Outturn 2024/25
	Leisure Centres Repairs and Maintenance	2	134	132	Contract required that the facilities were handed over to the new leisure operator in a good condition. With previous operator SLL in liquidation, the Council was liable for cost of rectifying dilapidations identified.	Outturn 2024/25
	Leisure Centres - Contribution to Provision	0	272	272	The Council's previous Leisure Centres operator, Stevenage Leisure Limited (SLL), entered liquidation during this financial year, significantly increasing the risk that debts outstanding will not be fully recovered.	Outturn 2024/25
	Leisure Centres - Fitness Equipment Loan – Contribution to Impairment Allowance	0	158	158	With SLL in liquidation, further impairment required of the loan principal outstanding from the £510k loan to SLL for the purchase of gym and fitness equipment at Hitchin and Royston Leisure Centres approved by Council in August 2017.	Outturn 2024/25
	Leisure Centres - Transfer from reserve	(26)	(266)	(240)	Impact on the General Fund partially mitigated by the release of amounts held in the Leisure Centre maintenance earmarked reserve	Outturn 2024/25
	Waste and Recycling Contract Expenditure	5,612	5,370	(242)	Additional cost from indexation applied to the contract in each of the last two years has been lower than the provision for contract inflation included in the budget.	Q3 2024/25
	Commingled Recycling Haulage and Processing	381	529	148	Marked decreases in the basket price achieved for the sale of the recyclates in the second half of the financial year, most notably glass and plastic.	Q3 & Outturn 2024/25
	Other budgets with variances under £100k	2,050	1,815	(235)		
	<b>Directorate Total</b>	<b>6,889</b>	<b>7,205</b>	<b>316</b>		
Regulatory Services Directorate	Supplementary Planning Documents	162	16	(146)	Most of the work on documents and processes supporting the Local Plan have been carried out in-house. This includes the adopted SPDs on Developer Contributions and Sustainability as well as work to support Biodiversity Net Gain.	Q3 & Outturn 2024/25
	Local Plan Review	244	38	(206)	Delivery of full review contingent on new legislation and guidance from Government. A proposed timetable and way forward for the Local Plan was presented to Cabinet in January 2025. This will see substantial work and external costs being incurred from 2025/26 onwards.	Q3 & Outturn 2024/25
	Town Centre Strategies	150	31	(119)	An early draft of a district-wide town centre strategy was presented to the Council's Project Board in October 2024. Further work was requested before the strategy could be presented to Cabinet. The temporary contractor that was leading on this work has subsequently left the Council and Lichfields - who prepared the underlying retail expenditure evidence - have been appointed to review, update and represent the draft strategy. This is now expected in Summer 2025.	Outturn 2024/25
	Planning Applications Income	(1,197)	(1,076)	121	Lower number of minor applications, which is a trend nationally. Larger applications subject to the master planning process as opposed to the previous paid pre-application advice, with fee income from subsequent reserved matters applications therefore being deferred.	Q2 & Outturn 2024/25
	Other budgets with variances under £100k	1,688	1,221	(467)		
	<b>Directorate Total</b>	<b>1,047</b>	<b>230</b>	<b>(817)</b>		
Resources Directorate	<b>Directorate Total (all budgets have variances under £100k)</b>	<b>2,916</b>	<b>2,790</b>	<b>(126)</b>		
<b>OVERALL TOTAL</b>		<b>20,977</b>	<b>17,932</b>	<b>(3,045)</b>		